RAJASTHAN STATE MINES & MINERALS LIMITED

(A Government of Rajasthan Enterprise)

CIN : U14109RJ1949SGC000505

E-mail: info.rsmml@rajasthan.gov.in,
www.rsmm.com

Board of Directors

As on 01-12-2018

Shri D. B. Gupta	Chairman
Shri Mukesh Sharma	Director
Shri Rajeev Swarup	Director
Smt. Aparna Arora	Director
Shri Jitendra Kumar Upadhyay	Director
Shri H. V. Paliwal	Director
Shri P. P. Pareek	Director
Shri Bhawani Singh Detha	Managing Director

Financial Advisor

Shri Bhupesh Mathur (Chief Financial Offier)

Company Secretary

Shri Rajendr Rao

Auditors

M/s. Pramod & Associates
Chartered Accountants, Jaipur

Bankers

IDBI Bank
ICICI Bank
State Bank of India

Registered Office

C-89-90, Janpath,
Lal Kothi Scheme, Jaipur-302015
Tel.; 0141-2743734, 2743934
Fax: 0141-2743735

Corporate Office

4, Meera Marg, Udaipur- 313004
Tel.: 0294-2428763-67
Fax: 0294-2428770

index

Notice	1
Directors' Report	5
Addendum to the Directors Report	13
Secretarial Audit Report	22
Independent Auditors' Report (Standalone)	26
Balance Sheet (Standalone)	37
Statement of Profit & Loss (Standalone)	39
Cash Flow Statement (Standalone)	41
Statement of Change in Equity (Standalone)	43
Schedules forming part of the Balance Sheet and Profit and Loss Account (Standalone)	44
CAG's Report (Standalone)	123
Independent Auditors' Report (Consolidated)	125
Balance Sheet (Consolidated)	133
Statement of Profit & Loss (Consolidated)	135
Statement of Change in Equity (Consolidated)	137
Cash Flow Statement (Consolidated)	138
Schedules forming part of the Balance Sheet and Profit and Loss Account (Consolidated)	140
CAG's Report (Consolidated)	230

NOTICE

Notice is hereby given that the **71st Annual General Meeting** of the members of the company will be held on the Thursday, 27th December, 2018 at 12:30 PM at Registered Office of the company at C-89-90, Lal Kothi, Janpath, Jaipur – 302015 (Rajasthan) to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Audited Financial Statements) of the Company for the year ended 31st March, 2018, the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend for the Financial Year ended March 31, 2018.
3. To fix the remuneration of the statutory auditors for the financial year 2018-19.

SPECIAL BUSINESS:

4. **To appoint Shri Jitendra Kumar Upadhyay (DIN: 08233920) as a Director liable to retire by rotation**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions of Companies Act, 2013, Rules made there under, Shri Jitendra Kumar Upadhyay (DIN: 08233920), who was appointed as an additional director by the Board with effect from 25.09.2018 to hold office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Shri Jitendra Kumar Upadhyay as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

5. **Ratification of remuneration of the Cost Auditors for the FY 2018-19**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules framed thereunder, the payment of the remuneration of Rs. 85,000 (Rupees Eighty Five Thousand Only) plus GST, if applicable, plus reimbursement of out of pocket expenses at actuals to M/s. R.K. Bhandari & CO. Jaipur who were appointed by the Board of Directors of the Company, as "Cost Auditors" to conduct the audit of the cost records maintained by the Company for Financial Year ending March 31, 2019, be and is hereby ratified and approved.

By order of the Board
Rajasthan State Mines and Minerals Limited

Sd/-
(Rajendr Rao)
Company Secretary

Place: Udaipur
Date: 30-11-2018

NOTES:

1. Relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolutions set out under item Nos. 4 & 5 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a Member of the Company.
3. Members/Proxies should bring the attendance slip at the time of meeting.
4. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is enclosed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

Shri Jitendra Kumar Upadhyay (DIN: 08233920) was appointed as an Additional Director of the company with effect from 25th September, 2018. As per the provisions of Section 161 of the Companies Act, 2013 read with Article 101 of the Article of Association of the company, Shri Jitendra Kumar Upadhyay continues to hold office as a Director until the conclusion of the ensuing Annual General Meeting. Pursuant to section 160 of the Companies Act, 2013, the company has received notice from a member signifying his intention to propose Shri Jitendra Kumar Upadhyay as candidate for the office of Director of the company, liable to retire by rotation.

Shri Jitendra Kumar Upadhyay, IAS is Director of Department of Mines & Geology, Udaipur, Rajasthan.

The company has received an intimation from Shri Jitendra Kumar Upadhyay to the effect that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013 and has given his consent to act as a director of the company.

The Board recommends the appointment of Shri Jitendra Kumar Upadhyay as a Director of the company, whose period of office is liable to determination by retirement of director by rotation for approval of the Members of the company.

Except, Shri Jitendra Kumar Upadhyay to whom the resolution relates, and his relatives (to the extent of their shareholding interest in the company), none of the Directors and Key Managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.4.

Item No. 5:

The Board, on the recommendation of the audit committee, has approved the appointment and remuneration of M/s R. K. Bhandari & Co., Cost Auditors to conduct the audit of the cost records of the company for the financial year ending 2018-19.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 85000/- plus GST, if applicable plus reimbursement of out of pocket expenses at actuals has to be ratified by the shareholders of the company. The consent of the members is sought for passing an Ordinary Resolution. The Board recommends the proposal for approval of the shareholder.

None of the Directors/ Key managerial Personnel of the company, their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

By order of the Board
Rajasthan State Mines and Minerals Limited

Sd/-
(Rajendr Rao)
Company Secretary

Place : Udaipur
Date : 30-11-2018

Brief Resume of Directors of the company, seeking regularisation at the 71st AGM:

Name of Director	Shri Jitendra Kumar Upadhyay
Director Identification Number (DIN)	**08233920**
Date of Birth	21/11/1963
Nationality	Indian
Date of Appointment on Board	25.09.2018
Qualification	IAS
Experience	31 Years
List of directorship held in other companies	NIL
Membership/Chairmanship of Committee	CSR Committee - Member
Shareholding in RSMM Ltd.	100 Shares

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the **71st** Annual Report on the business and operations of your company together with the Audited Statement of Accounts and Auditors' Report for the year ended on 31st March, 2018.

1. Financial Highlights:

The financial and operational performance of the Company is as under:-

a. Financial Outcome

The financial performance as compared to the previous financial year is depicted below-

(₹ In Lacs)

Particulars	2017-18	2016-17
Total Revenue	91887.45	80518.57
Total Expenditure	68836.86	66641.49
Profit before Tax before exceptional items	**23050.59**	**13877.08**
Less: Exceptional Items	-	-
Profit before Tax after exceptional items	**23050.59**	**13877.08**
Provision for current tax	(7349.86)	(4837.09)
Tax adjustment of earlier years	181.84	875.09
Deferred tax provisions	967.19	1052.43
Net Profit after Tax	**16849.76**	**10967.51**
Other comprehensive income (net of taxes)	(472.11)	(284.26)
Total Comprehensive Income	**16377.65**	**10683.25**
Basic and Diluted Earnings per Share (Rs.)	21.12	13.13

2. Operational Highlights

a. Strategic Business Unit & Profit Centre – Rock Phosphate

In the year 2017-18 the production of High Grade Ore(HGO) and Low Grade Ore(LGO) were 5.73 Lac MT and 6.58 Lac MT respectively. The corresponding figures for the previous year were 3.88 Lac MT and 3.81 Lac MT respectively.

The total sale of Rock phosphate during financial year 2017-18 stood at 7.43 Lac MT which is higher by 18% as compared to the sale of 6.28 Lac MT made in financial year 2016-17.

During the financial year 2017-18 the company took measures to address difference in the prices of imported Rockphosphate and RSMML Rockphosphate by introducing various incentives like Cash discount & bulk quantity rebate etc. These measures helped the company in bringing back some of the SSP manufacturing units towards its side which otherwise had earlier started importing Rockphosphate on cheaper rates.

Further, with the implementation of GST, there was turmoil in the fertilizer industry which eventually settled during the year. Major SSP manufactures have returned to the company's fold which has led to encouraging signs in the sale of Rockphosphate.

b. Strategic Business Unit & Profit Centre – Lignite

The production and sale of Lignite for the FY 2017-18 stood at 10.19 Lac MT as compared to the production and sale of 5.49 Lac MT during the financial year 2016-17.

Due to imposition of ban on use of Petcoke by Hon'ble Supreme Court of India, the sale of Lignite has shown a rising trend during the year 2017-18.

Pre-mining developmental activities like land acquisition, approval of mining plan, environmental clearance, geo-technical studies, hydro-geological studies etc. are in progress in other Lignite Blocks like Gurah (West) in Bikaner allocated to the company. These blocks are proposed to be developed to meet out further demand of fuel in power sector as well as for other industrial uses.

c. Strategic Business Unit & Profit Centre – Gypsum

The production and sale of Gypsum stood at 7.30 Lac MT and 7.67 Lac MT respectively in the year 2017-18 as against 8.99 Lac MT and 9.19 Lac MT produced and sold in the previous financial year 2016-17. Production and sale of Gypsum was lower mainly because of, allotment of leases to private sectors, easy and economic availability of quality substitutes, manufacturing of synthetic/ chemical Gypsum at cement plants etc.

d. Strategic Business Unit & Profit Centre – Limestone

The production and sale of Limestone in the year 2017-18 for Jaisalmer were 31.88 Lac MT and 31.11 Lac MT including sub Grade rejects as compared to previous year's production and sale of 20.46 Lac MT and 21.25 Lac respectively. Production & sale of Limestone from Gotan mines in financial year 2017-18 were 2.73 Lac MT as against production & sale of 2.86 Lac MT in the year 2016-17.

The work of laying down Broad Gauge Railway line from Thaiyat Hameera to Sanu mines for smooth transportation of limestone to various steel plants is being carried out by Railways. The company has deposited a sum of Rs. 118.46 Crores being 50% amount of the estimated cost of project with the Railways. The Railways has already awarded various contracts and the works related to lying down the rail line is in full swing. It is expected that the Railway Line be completed by 2018-19. Once this line is constructed, the dependence on road transportation of limestone will be reduced and sale of SMS grade Limestone is likely to improve considerably.

e. New Business Unit

Your company has decided to explore possibilities of entering in new minerals like sand. In this respect, your Company has established a new Business Unit for development of new businesses including M-Sand. Company is now exploring the possibilities of carrying out dredging operations at Bisalpur Dam, Tonk to extract sand from the reservoir with the assistance of M/s. Dredging Corporation of India Ltd., Visakhapatnam (Andhra Pradesh) which is an expert agency in dredging activities. Initially, Hydrographic surveys and Geo-technical studies are being carried out to establish quality and quantity of sand in the Bisalpur Dam.

Further, your Company is also exploring the possibilities of setting up Manufactured Sand (M-Sand) production units on pilot basis in State as an alternate to River Sand.

3. Projects

a. 5 MW Solar Power Plant

Your company has supplied 71.23 lacs units to the state power companies during the year 2017-18 from its 5 MW solar power plant installed near Gajner, Distt. Bikaner.

b. Wind Power Project at Jaisalmer

Your company is also generating green energy from its wind energy farms having power generation capacity of 106.3 MW at Jaisalmer and has supplied 1090 Lac units to State Grid in financial year 2017-18 from these eco friendly projects and protecting the environment by reducing emission of carbon dioxide which otherwise would have been emitted if power is generated from Thermal Power Plant.

c. Carbon Credit

Your company is earning CERs from UNFCCC for wind power CDM projects towards its contribution in sustainable development and to protect global warming through registered green energy generation. The UNFCCC issued CERs for our three wind projects during the financial year 2017-18 and Your Company earned revenue of Rs. 2.06 Crore by sale of carbon credits to Swedish Government as per long term agreement.

d. Desalination Project at Kasnau-Matasukh Lignite Mines, Nagaur

Your company had installed a Desalination Plant at Kasnau-Matasukh near Nagaur on DBOO basis having 20 MLD brackish water input & 13 MLD permeate output capacity. This plant was commissioned in May, 2010 and since then was supplying potable water to PHED for further distribution to 120 villages of Nagaur district, till two years back, however due to some performance related issues with the contractor, the company had to terminate the contract. Meanwhile PHED has already made alternative arrangements for supply of potable water to the concerned villages.

e. Deep-seated gypsum mining at Badwasi in Nagaur District

With the gradual depletion of surface deposit of Gypsum, need for exploring alternate source for consistent supply of Gypsum was felt and it was decided to explore the possibility of developing deep seated Gypsum deposit at Badwasi, Nagaur. Mine Plan of Badwasi Deep Seated Gypsum Mines has already been got approved. Public hearing has been successfully conducted. The Proposal for Environment Clearance (EC) is being considered by MoEF. Once, the company gets the consent to operate, action for starting mining operation at Badwasi Deep Seated Gypsum Mines would be initiated along with acquisition of required land.

4. Capital Structure

Authorized and paid up share capitals of the company during the financial year 2017-18 remain unchanged. The authorized capital of the company was Rs. 80.00 crores (Rupees Eighty Crores only) as on 31st March, 2018. While paid up capital was Rs. 77.5515 crores.

5. Disinvestment

The Government of Rajasthan in its budget for financial year 2014-15 has announced disinvestment of 10-25% of equity of the company. In this respect, RFP for appointment of BRLM has been finalised and input for issuances for cabinet note has also provided to the Government which is under consideration at Government level.

6. Dividend

In view of satisfactory performance of the company, your Directors are pleased to recommend a dividend @ 50% of paid up share capital i.e. Rs. 5/- per share of the company for the financial year 2017-18.

7. Subsidiary Companies

a. Barmer Lignite Mining Company Limited (BLMCL)

M/s Barmer Lignite Mining Company Limited (BLMCL) was incorporated with 51% share holding of RSMML and remaining 49% equity with joint venture partner M/s Raj West Power

Ltd (RWPL) for development, operation and extraction of lignite from Jalipa and Kapurdi mines block for supplying it to 1080 MW (8x135MW) power plant set up by RWPL in Barmer under Fuel Supply Agreement.

BLMCL has acquired 22347.85 bigas of private land for Jalipa Mines. Mining lease for Kapurdi Mines was transferred in favour of BLMCL in the year 2011-12, whereas mining lease for the Jalipa Mining Block has been transferred from RSMML to BLMCL on 25th May, 2015. Commercial production has already been commenced from Kapurdi lignite mine. All the eight power generation units having a capacity of 135 MW each are generating power at Bhadresh in district Barmer.

The Detailed Project Report (DPR) for diversion of NH 15 passing through Jalipa lease area has been approved by Ministry of Road Transport and Highways (MoRTH), New Delhi. BLMCL has also deposited approx. Rs. 160 Crore as deposit work against the cost of NH diversion with PWD - NH Division. Further, MoRTH had also started the process of land acquisition for diversion of NH-15. This notification u/s 3D has already been issued. Currently, assessment of land and building is going on and based on that the award shall be passed for payment of compensation. Further, Tender for construction of diverted NH-15 has already been awarded.

b. Rajasthan State Petroleum Corporation Limited (RSPCL)

Rajasthan State Petroleum Corporation Limited was formed as a wholly owned subsidiary of your company with the objective of conducting activities in the petroleum & natural gas sector. The Government of Rajasthan has approved the business line of oil refining, pipe line transport, gas retailing, city gas distribution, oil exploration, oil field support services for this company. The company has applied for allocation of a lignite block at Nagurda in Barmer-Sanchor basin for underground coal gasification to Ministry of Coal, New Delhi.

A joint venture agreement with GAIL Gas Ltd has been executed on 05/11/2012 for undertaking city gas distribution and other non-regulated business. A Joint venture company viz. Rajasthan State Gas Limited has been incorporated on 20.09.2013 with 50% equity participation each by RSPCL & GAIL Gas Limited. Rajasthan State Gas Limited has commissioned a Daughter Booster Station (DBS) at Neemrana & Kookas on Jaipur-Delhi Highway with CNG dispensing units by RIICO. Besides, M/s Rajasthan State Gas Limited has acquired Kota CGD project from GAIL Gas Limited during the current financial year at a cost of Rs. 80.00 crores.

8. Deposits

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

9. Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

10. Corporate Social Responsibility (CSR) Report

RSMML seriously believe that CSR is company's commitment to operate in economically, socially and environmentally sustainable manner. Social upliftment of the poor and downtrodden class will remain as thrust area of RSMML's CSR activities, apart from creating wealth and adding value to other stakeholders, i.e. shareholders, suppliers and customers.

The CSR Policy may be accessed on the Company website link: http:\www.rsmm.com. In accordance with requirements of the Companies Act 2013, the company has a Corporate Social Responsibility Committee. Shri Bhawani Singh Detha, Managing Director is the Chairman of the Committee and Shri H.V. Paliwal and Shri Jitendra Kumar Upadhyay, Director, Department of Mines & Geology is two members.

The annual report on CSR Activities is provided as Annexure – A to the Directors' Report.

11. Human Resource Development & Training

Your company recognizes human resource as the most valuable resource and strive to provide a conducive and congenial environment along with facilities and opportunities for growth. Your company believes that the quality of human resource is the key driver of corporate success and accords priority for Human Resource Development with emphasis on improving skill, competence and knowledge through regular training and professional development programmes. The manpower employed at the end of financial year 2017-18 was 1285 as against 1372 employees were at the end of the financial year 2016-17.

12. Industrial Relations

Industrial relations in all mines and offices of the company remained cordial during the year under report. The industrial relations in the company are based on principles of joint consultation and participating management. All major issues pertaining to workmen are resolved through amicable process and discussions.

13. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Your company has already taken initiatives towards energy conservation. The company has exhibited tremendous concern for trimming its energy consumption so as to be the least cost producer in the segments in which it operates. Further, your company is having foreign exchange earnings and incurred foreign exchange expenditure during the year under review.

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure – B and is attached to this report.

14. Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

15. Statement concerning Development and Implementation of Risk Management Policy of the Company

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

16. Particulars of Loans, Guarantees or Investments made Under Section 186 of the Companies Act, 2013

No Loans, Guarantees given or Investments made during the Financial Year 2017-18

17. Particulars of Contracts or Arrangements made with Related Parties

There was no contract or arrangements made with related parties as defined under Section 188(1) of the Companies Act, 2013 during the year under review. Accordingly, disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

18. Independent Directors Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

19. Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, due amount of unpaid/unclaimed dividends was transferred during the year to the Investor Education and Protection Fund.

20. Prevention of Sexual Harassment at Workplace

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, your company has constituted Internal Complaints Committees (ICC). During the year 2017-18 no complaint was received by the Company.

21. Audit Committee

The Audit Committee comprising of three directors, Smt. Aparna Arora, Chairperson and Shri H.V. Paliwal & Shri P.P. Pareek as independent Directors are the members of the Audit Committee.

The role and terms of reference, the authority and powers of the Committee are in conformity with the requirements under section 177 of Companies Act, 2013.

22. Directors

Article 99(I) and 100 of the Articles of Association of the company empower the Governor of Rajasthan to appoint directors on the Board of the company. The Governor may from time to time appoint one of the Directors appointed under Article 99(i) as Chairman of the Board and one or more such Directors as Managing Director and/or Executive Director/s. According to Article 100 of the Articles of Association of the Company, Governor appointed Shri Nihal Chand Goel (DIN: 05257969) as Chairman in place of Shri Ashok Jain (DIN: 01641752). Further, Shri Devendra Bhushan Gupta (DIN: 00225916) appointed as Chairman in place of Shri Nihal Chand Goel (DIN: 05257969). Shri Mukesh Kumar Sharma (DIN: 02087671) also appointed as director on the Board. Shri Bhawani Singh Detha (DIN: 03605761) appointed as Managing Director of the company in place of Shri Bhanu Prakash Yeturu (DIN: 07032883).

Further, Shri Jitendra Kumar Upadhyay (DIN: 08233920) is also appointed as additional Director on the Board of the Company in place of Shri D. S. Maru (DIN: 06778328).

The Board places on record the valuable contribution made by the outgoing Chairman & Directors in the growth of the company.

23. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors state that:

a) in the preparation of the annual accounts, the applicable IND AS had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and

of the profit and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis;

e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. Number of Board Meetings conducted during the year under review

The Company had conducted four Board meetings during the financial year under review. The details are as under:

Date of Meeting	Name of the directors who attended meeting	Name of directors to whom leave of absence was granted
28.06.2017	Sh Om Prakash Meena- Chairman Shri Prem Singh Mehra - Director Smt Aparna Arora - Director Shri Rajeeva Swarup -Special Invitee Shri Bhanu Prakash Yeturu – Managing Director	Sh. P. P. Pareek - Director Sh. H. V. Paliwal – Director Shri D. S. Maru - Director
12.10.2017	Shri Ashok Jain- Chairman Shri D. B. Gupta - Director Shri Rajeeva Swarupa - Director Smt Aparna Arora - Director Shri D. S. Maru - Director Sh. P. P. Pareek - Director Sh. Bhanu Prakash Yeturu – Managing Director	Shri H. V. Paliwal - Director
13.12.2017	Shri Ashok Jain- Chairman Shri D. B. Gupta - Director Shri D. S. Maru - Director Sh. Bhanu Prakash Yeturu – Managing Director	Shri Rajeeva Swarupa – Director Smt Aparna Arora - Director Sh. P. P. Pareek - Director Shri H.V. Paliwal - Director
27.03.2018	Shri Nihal Chand Goel - Chairman Shri D. B. Gupta - Director Shri Rajeeva Swarupa - Director Smt Aparna Arora - Director Shri H. V. Paliwal - Director Shri Bhanu Prakash Yeturu -Managing Director	Sh. P. P. Pareek – Director Shri D. S. Maru - Director

25. Extracts of annual return

The extract of annual return as required under section 92(3) of the Companies Act, 2013 in form MGT-9 is annexed herewith for your kind perusal and information (Annexure - C).

26. Auditors

a. Statutory Audit

The appointment of Statutory Auditors is made by the Comptroller & Auditor General of India, New Delhi. M/s Pramod & Associates, Chartered Accountants, Jaipur were appointed to audit Annual Accounts for the financial year 2017-18

Your Directors request you to authorize the Board of Directors to fix the remuneration of the auditors to be appointed by the Comptroller & Auditor General of India under Section 139 of the Companies Act, 2013 for the financial year 2018-19.

b. Secretarial Audit

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s S.K. Joshi & Associates, Practicing Company Secretaries for conducting secretarial audit of the company for the Financial Year 2017-18. The Secretarial Audit Report issued by the aforesaid Secretarial Auditors is annexed herewith as Annexure - D.

c. Cost Audit

Pursuant to section 148 of Companies Act, 2013 read with Companies (Cost Record and Audit) Rules, 2014 as amended from time to time, your company has appointed M/s R.K. Bhandari & Company, Cost Accountants, Jaipur to carry out audit of cost records for the financial year 2018-19. As required under Companies Act, 2013, members are requested to consider the ratification of the remuneration payable to M/s R.K. Bhandari & Company, Cost Accountants, Jaipur

27. Significant and material orders passed by the regulators or courts or tribunals

There are no significant and material orders which were passed by the regulators or courts or tribunals during the financial year 2017-18 which impact the going concern status and company's operations in future;

28. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Auditors and the Practicing Company Secretary in their Reports

The qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary are annexed.

29. Acknowledgement

The Directors gratefully acknowledge and express their gratitude for valuable co-operation and continued support extended by the various Government Department, Financial Institutions, Bankers, Consultants and Customers. Your Directors also take this opportunity to thank CAG of India and Statutory Auditors for their co-operation and guidance.

Your company always holds the commitment and competence of its people in a very high esteem and considers it as one of its greatest strength. Your Directors place on record their sincere thanks for all employees of the company for their contribution, co-operation and unstinted support towards the overall growth of the company.

For and on Behalf of the Board
Sd/-
(D. B. Gupta)
CHAIRMAN
DIN: 00225916

Place: Jaipur
Dated: 20-11-2018

ADDENDUM TO THE DIRECTORS' REPORT

(Under Section 134 of the Companies Act, 2013)

Clarifications on the remarks contained in the Auditors' Report are as under:

(i) As in the opinion of the company, the development charges are not refundable, therefore the company did not accept the demand and accordingly no liability on this account has been provided for. However, the company has disclosed the amounts of demand as contingent liability.

(ii) The company has provided liability for excess over burden handled by the contractor during the contract period of 7 years on the basis of recommendations of the sub-committee of the Board which were accepted by the Board of Directors in its 382nd meeting held on 21st July, 2011. Accordingly, in our opinion liability has adequately been provided.

For & on behalf of the Board

Sd/-
(D. B. Gupta)
CHAIRMAN
DIN: 00225916

Place: Jaipur
Date : 20-11-2018

ANNEXURE – A TO THE DIRECTORS' REPORT

RSMML recognizes that its business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders. The Company is committed to continuously improving its social responsibilities, environment and economic practices to make positive impact on the society.

In accordance with requirements of The Companies Act 2013, the company has a Corporate Social Responsibility Committee. Shri Bhawani Singh Detha is the Chairman of the Committee and Shri H.V. Paliwal and Shri Jitendra Kumar Upadhyay are the other members. The Committee framed and recommended a CSR Policy to the Board for adoption. The CSR Policy may be assessed on the Company website link: http:\www.rsmm.com.

The 'headline' objective of the RSMML's CSR policy is to ensure that CSR activities are not performed in isolation but it is skilfully and tied woven into the fabric of the company's business strategy for overall value creation for all stakeholders. RSMML believes that profitability must be complemented by a sense of responsibility towards all stakeholders with a view to make a material, visible and lasting difference to the lives of disadvantaged sections of the people, preferably in the immediate vicinity of the company's offices but at the same time ensure widespread distribution of its CSR activities befitting its status as a conscientious corporate citizen.

To meet out the objectives of the CSR policy of the company the projects proposed to be undertaken may be in the area of Education, Health care, Sustainable livelihood, Infrastructure development, espousing social causes and Environmental protection etc..

Your company is conscious of its duties towards the community and our country and the coming years shall witness your Company in several CSR areas.

Financial details regarding CSR activities of the Company

As per the Section 135 of the Companies Act, 2013 and Rules made there under, the Company is required to mandatorily spend at least two per cent of the average net profits of the Company made during the three immediately preceding three financial years, on prescribed CSR activities.

S.No.	Particular	Amount (₹ in Lacs)
1.	Average net profit of the Company for the last three financial years (2014-15 to 2016-17)	19017.54
2.	Prescribed CSR expenditure (2% of average net profits as above)	347.44
3.	Details of CSR expenditure during the financial year (2017-18)	
	Amount spent	190.18
	Amount unspent	157.26

The manner in which the amount was spent during the financial year is detailed as below-

CSR project or activity	Sector in which the project is covered	Location of the project/program	Amount outlay (budget)(Rs. in Lacs)	Amount spent on the projects (Rs. in Lacs)	Cumulative expenditure upto the reporting period (Rs. in Lacs)	Amount spent: Direct or through implementing agency
Construction of class rooms and toilets in various schools of Barmer District	Promoting education	Barmer	0.69	0.69	0.69	Implementing Agency
Construction of Boundary wall of Govt. Primary School, Jaalela, Barmer	Promoting education	Barmer	1.20	1.20	1.89	Implementing Agency
Contribution for Bhagwan Mahaveer Viklang Sahayata Samiti,	Medical & Health Care	Jaipur	25.00	25.00	26.89	Implementing Agency
Office of SHO, Ramgarh Police Station, Jaisalmer for RO & Water cooler	Medical & Health Care	Jaisalmer	0.55	0.55	27.44	Implementing Agency
Eye bank Society of Rajasthan, Jaipur	Medical & Health Care	Jaipur	30.00	30.00	57.44	Implementing Agency
To provide coaching & facilities to state level teams of Kabddi & Hockey	Community at large	Jaipur	28.00	28.00	85.44	Implementing Agency
Provide Critical Care Ambulance (C.S.R)to RNT Medical Collage	Medical & Health Care	Udaipur	30.00	30.00	115.44	Implementing Agency
Contribution for Project "Utakrsh" implemented in Govt. ICT Schools of Udaipur District	Promoting education	Udaipur	15.00	15.00	130.44	Implementing Agency

CSR project or activity	Sector in which the project is covered	Location of the project/program	Amount outlay (budget)(Rs. in Lacs)	Amount spent on the projects (Rs. in Lacs)	Cumulative expenditure upto the reporting period (Rs. in Lacs)	Amount spent: Direct or through implementing agency
Construction of new tennis Court at Khelgaon, Udaipur	Community at large	Udaipur	50.00	50.00	180.44	Implementing Agency
Procurement of Chair & Table for Govt Schools, Sonu, Jaisalmer	Promoting education	Jaisalmer	2.25	2.25	182.69	Implementing Agency
Construction of class rooms Govt school, Ganthiya, Jaisalmer	Promoting education	Jaisalmer	2.49	2.49	185.18	Implementing Agency
Conservation of Ayad River, Udaipur	Water Conservation	Udaipur	5.00	5.00	190.18	Implementing Agency

The Company works with non-governmental organisations, schools, other institutes & organisations.

There was a shortfall of Rs. 157.26 Lacs in the expenditure done on CSR activities with regard to the amount mandated as per law. The Company is in process of further identifying worthwhile avenues for CSR expenditure. The Company is committed to CSR and shall strive to spend the amount as provided in law in the next financial year.

Responsibility statement of the CSR Committee

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

ANNEXURE – B TO THE DIRECTORS' REPORT

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

a) Energy Conservation Measures taken :

The energy conservation measures are regularly taken up by RSMML to reduce the consumption of energy. The company has exhibited concern for trimming its energy consumption so as to be the least cost producer in the segments in which it operates.

Installation of energy efficient High pressure Grinding Rolls resulted in reduction of energy consumption at Industrial Beneficiation Plant.

Energy audit is being carried out regularly through in-house engineers in Industrial Beneficiation Plant at Jhamarkotra Mines.

Replacement of conventional controls with variable speed drive to reduce energy consumption in the plant.

Replacement of existing low efficiency motors with energy efficient motors in phased manner.

Luminaries like HPMV/Halogen Lamps are being replaced with high efficacy HPSV/Metal Halide/LED lamps. like HPMV/Halogen Lamps are being replaced with high efficacy HPSV/ Metal Halide/LED lamps.

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy;

Luminaries like HPMV/Halogen Lamps etc. are being replaced with high efficiency lamps like HSPB/Metal Halide/ LED to save energy.

Existing low efficiency motors are being replaced with high energy efficient motors resulting in saving of energy.

Installed roof top solar panels at Corporate Office of the Company as an effort to make building of Corporate Office as eco-friendly building.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

Cost saving achieved due to low cost renewable energy from 106.3 wind power and solar power plant.

Higher power factor is maintained for achieving savings in the energy consumed from AVVNL and also getting handsome rebate per month in the electricity bills.

B. Technology Absorption

Research and Development (R&D)

1. Specific areas in which R&D carried out by the company, in past.

R&D efforts in the following areas strengthened the company's operation through technology absorption, adaptations & innovation.

(a) A research project has been awarded to MPUA&T, Udaipur for Rs. 11,62,500/- for three years to increase agronomic efficacy of secondary ore which is being produced as intermediate product and presently not used. The quantity is about 50 lakhs tonnes.

(b) Productivity studies of HEMM at Jhamarkotra Mines.

(c) Beneficiation of secondary rock-phosphate.

2. Benefits derived as a result of the above R&D
   a) Strengthening of market share
   b) Converting waste into useful product
   c) Conservation of mineral.
3. Future plan of action
   a) Energy efficient process
4. Expenditure on R&D
   a) Capital Rs. 0.00
   b) Recurring Rs. 0.00
   c) Total R & D expenditures as percentage of total turnover Rs. 0.00

C. Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:
   a) Commissioning of 5MW Solar Energy Plant based on Multi Crystalline Technology at Bikaner.
   b) Company has developed the low cost organic fertilizer "PROM"
   c) Two patents have been filed and approved by the Company jointly with MLS University, Udaipur under the title I) "process for making slow release phosphate fertiliser." ii) "An eco-friendly process for making EPSOM and Gypsum."
   d) Company has introduced 30% crushed Rockphosphate replacing 31.5% CRP, it has improved mineral conservation.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

   Above efforts helped in satisfying the consumer needs as well as business requirements by introducing new products.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information are furnished as under:
   a) Technology imported. -Nil
   b) Year of import -NA
   c) Has technology been fully absorbed? -NA
   d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. -NA

D. Foreign Exchange Earnings and Outgo

(Amount in ₹)

Particulars	2017-18	2016-17
Earnings	2,05,70,891	-
Expenditure		
Spares	-	87,94,445
Other Matters	61,49,301	7,37,743

ANNEXURE - C TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

[Pursuant to section 92 (3) of the Companies Act, 2013 and rules 12(1) of the Companies (Management and Administration Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN.	U14109RJ1949SGC000505
ii) Registration Date	07/05/1947
iii) Name of the Company	Rajasthan State Mines and Minerals Limited
iv) Category / Sub Category of the Company	Company Limited by Shares / State Government Company
v) Address of the Registered office and contact details	C-89-90,Janpath Lal kothi Scheme, Jaipur-302015 Contact No-0141-2743734, 2743934
vi) Whether listed company Yes/ No	No
vii) Name, address and contact details of Registrar and transfer agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY : MINING

S.No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1.	Mining of Rock phosphate	14212	40.59
2.	Mining of Limestone	10201	24.61
3.	Mining of Lignite	14107	22.93
4.	Mining of Gypsum	14105	6.35
5.	Power-Wind farm	40108	5.20
6.	Power-Solar power plant	40106	0.32

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. NO.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1	Barmer Lignite Mining Company Ltd. Khaniz Bhawan, Tilak Marg, C-Scheme, Jaipur-302005	U14109RJ2007SGC023687	Subsidiary	51%	2(87)(ii)
2	Rajasthan State Petroleum Corporation Ltd. Khaniz Bhawan, Tilak Marg, C-Scheme, Jaipur-302005	U23201RJ2008SGC026960	Subsidiary	100%	2(87)(ii)

IV. SHAREHOLDING PATTERN : (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters (1) Indian a) Individual/HUF b) Central Govt. c) State Govt. d) Bodies Corp. e) Banks/FI f) Any other	-	77540478	77540478	99.986	-	77540478	77540478	99.986	NIL
Sub Total (A) (1)	-	77540478	77540478	99.986	-	77540478	77540478	99.986	NIL
(2) Foreign a) NRIs- Individual b) Other Individual c) Bodies Corp. d) Banks / FI e) Any other	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	77540478	77540478	99.986	-	77540478	77540478	99.986	NIL
B. Public Shareholding 1. Institutions (a) Mutual Funds/UTI (b) FI / Banks (c) Central Govt./ State Govt. (d) Venture capital funds (e) Insurance Companies (f) FIIs (g) Foreign Venture Capital Investors (h) Any other (specify)	-	-	-	-	-	-	-	-	-
Sub -Total (B)(1)									
2. Non Institutions (a) Bodies Corporate (b) Individuals (c) Any others	-	11022	11022	0.014	-	11022	11022	0.014	NIL
Sub Total (B)(2)									
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	11022	11022	0.014	-	11022	11022	0.014	NIL
Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	**-**	**77551500**	**77551500**	**100.00**	**-**	**77551500**	**77551500**	**100.00**	**NIL**

(ii) Share Holding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Govt. of Rajasthan	77540478	99.986	NIL	77540478	99.986	NIL	NIL

(iii) Change in Promoters' Shareholding (specify if there is no change) - NIL -
There is no change in promoters' shareholding during the year under review.

(iv) Share Holding Pattern of Top Ten Shareholders - NIL -
(other than Directors, Promoters & Holders of GDRs & ADRs)

(v) Shareholding of Directors and Key Managerial Personnel: - NIL -

V. INDEBTEDNESS:

Indebtedness of the company including interest outstanding/ accrued - NIL -

but not due for payment

VI . REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Rs. in Lacs)

S No.	Name of Director/KMP	Designation	Remuneration
1.	Shri Bhanu Prakash Yeturu	Managing Director	21.34
2.	Shri Bhupesh Mathur	Chief Financial Officer	19.54
3.	Shri Rajendr Rao	Company Secretary	15.30

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: - NIL-

For & on behalf of the Board

Sd/-
(D. B. Gupta)
CHAIRMAN
DIN: 00225916

Place: Jaipur
Date : 20-11-2018

ANNEXURE – D

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
RAJASTHAN STATE MINES AND MINERALS LIMITED
CIN: U14109RJ1949SGC000505
C-89-90, LAL KOTHI,
JAIPUR, RAJASTHAN
302015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RAJASTHAN STATE MINES AND MINERALS LIMITED**(hereinafter called the Company).Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder**; (Not applicable to the Company during the Audit period being unlisted Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the Audit period)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit period)**

(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **are not applicable to the Company during the Audit period being unlisted Company.**

We have also examined compliance with the applicable clauses of :

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except constitution of Nomination and Remuneration committees, spending whole required amount toward CSR Activities.*

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws:

1. The Mines and Minerals (Development and Regulation) Act, 1957
2. Mines Act, 1952
3. Forest Conservation Act, 1980
4. Maternity Benefit (Mines) Rules, 1963
5. The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and while the dissenting members' views are captured and recorded as part of the minutes, if any.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no specific event has taken place which has major bearing on the Company's affairs.

For S. K. Joshi & Associates
Company Secretaries

Sd/-
(SANJAY KUMAR JOSHI)
Partner
FCS N 6745
C.P. No. 7342

Place : Jaipur
Date : 17.10.2018

This report is to be read in conjunction with our letter of even date which is marked as ' Annexure A' and forms an integral part of this report.

'Annexure A'

To,
The Members
RAJASTHAN STATE MINES AND MINERALS LIMITED
CIN: U14109RJ1949SGC000505
C-89-90, LAL KOTHI,
JAIPUR, RAJASTHAN
302015

Our report of even date is to be read along with this letter.

(1) Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.

(2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Where ever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. One examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the Efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For S. K. Joshi & Associates
Company Secretaries

Sd/-
(SANJAY KUMAR JOSHI)
Partner
FCS N 6745
C.P. No. 7342

Place : Jaipur
Date : 17.10.2018

STANDALONE FINANCIAL STATEMENT 2017-18
OF
RAJASTHAN STATE MINES AND MINERALS LIMITED

PRAMOD & ASSOCIATES
INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS

RAJASTHAN STATE MINES AND MINERALS LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Rajasthan State Mines and Minerals Limited** (hereinafter referred to as 'the Company'), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Standalone Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act")with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone

Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Basis of Qualified Opinion

(I) The Development Charges on Gypsum and Limestone of Rs. 21.31 crores were refunded by the government to the Company in the year 2006-07 as the levy of development charges was withdrawn since 1/04/2006. However, the said levy of Rs. 21.31 crores was recovered from the buyers while raising the bills/invoices. The Company had received certain claims from the buyers, as informed by the Company, amounting to Rs. 2.37 crores but the liability for the same has not been provided. The total impact is that the Other Equity has been overstated by a total of Rs. 2.37 crores, Other Current Financial Liabilities understated by Rs. 2.37 crores and Contingent Liabilities overstated by Rs. 2.37 crores in the head 'Claims against company not acknowledged as debt'.

(ii) As detailed in Note No. 53 of the Standalone financial statements, the contractor M/s National Construction Company had raised a claim based on the terms of contract between the Company and the Contractor, for Excess Wastage Handling Remuneration which has not been adequately provided for by the Company in its books of accounts. The claim had been provided for at Rs. 19.25 crores in the financial year 2009-10 instead of Rs. 39.06 crores resulting into short provisioning of Rs. 19.81 crores. The total impact is that Other Equity has been overstated by a total of Rs. 19.81 crores, Other Current Financial Liabilities understated by Rs. 19.81 crores and Contingent Liabilities overstated by Rs. 19.81 crores in the head 'Claims against company not acknowledged as debt'..

(iii) We further report that had the observations made by us in sub para nos. (i) and (ii) above been considered, Other Equity would have been Rs. 2068.64 crores (as against Rs. 2090.82 crores as reported by the Company), Other Current Financial Liabilities would have been Rs. 164.68 crores (as against Rs. 142.50 crores as reported by the Company), Contingent liabilities, in the head 'Claims against company not acknowledged as debt', would have been Rs. 518.49 crores (as against Rs. 540.67 crores as reported by the Company).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of Qualified Opinion Paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Ind AS, of the financial position of the Company as at 31st March 2018, and its Profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

a) Note No: 27.2 to the Standalone Ind AS financial statements regarding the accounting treatment and recording the asset / liability for any excess / shortfall in progressive mine closure expenses incurred during the year.

b) Note No: 28.3 to the Standalone Ind AS financial statements regarding the Fuel Supply Agreement (FSA) entered into with Rajasthan Vidyut Utpadan Nigam Limited (RVUNL), that in the absence of renewed FSA, revenue has been accounted for on the basis of prevailing rates as defined in existing FSA.

c) Note No: 48 to the Standalone Ind AS financial statements regarding the non-refund of the amount from the State government related to the retrospective increase in MR Cess rate and the final adjustment shall be made on the receipt of same.

d) Note No: 52 to the Standalone Ind AS financial statements regarding the dispute about the applicability of recovery clause when the Desalination Plant is operated on reduced capacity, still the matter is sub judice.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in the paragraph 3 and 4 of the said order.

2. As required under Section 143(5) of the Companies Act, 2013, we give in the "Annexure-B", a Statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the company.

3. As required by Section 143 (3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under.

   e. In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our report in "Annexure - C" and

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements refer note no. 46 to the Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

The Annexure A to Independent Auditors' Report

The Annexure A to Independent Auditors' Report as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the section our report on even date

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information;

(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regards to size of the company and nature of its assets. As per Information given to us by the management, No material discrepancies were noticed on such physical verification.

(c) The title/ lease deeds of the immovable properties are held in the name of the Company **except cases of Leasehold Land of 38000 square feet having cost of *Rs.* 9.62 Lacs, 199.62 Bigha land having cost of Rs. 336.05 Lacs and 258.77 hectare land having value of Rs. 190.99 Lacs, Free hold land of 4.775 hectare having value of Rs. 97.95 Lacs and buildings having cost of *Rs.* 254.37 Lacs, of which title/ lease deeds are pending for execution in the name of the Company.**

(ii) (a) As explained to us the inventory has been physically verified during the year by the management/outside agencies, the frequency of such verification is reasonable.

(b) The discrepancies noticed on physicals verification of the inventory as compared to books records which has been properly dealt with in the books of accounts were not material.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clause 3 (iii) of the Order are not applicable.

(iv) According to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of Act, with respect to the loans, investments, guarantees, and security made.

(v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act, and the rules framed there under.

(vi) We are informed that cost records are under the process of preparation. Hence we have not reviewed the books of accounts required to be maintained by the Company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013. Considering the same, we are not able to give opinion on maintenance of cost records with a view to determine whether they are accurate or complete.

(vii) (a) to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities **except the following which are outstanding as at March 31,2018 for a period of more than six months from the date they became payable**.

Nature of Dues	Amount (₹ In Lacs)
Development Charges payable to DMG	22.05
Premium Charges payable to DMG	72.21
Royalty including Dead Rent payable to DMG	271.30
Interest on late deposition of Royalty Payable to DMG	34.77
M R Cess	2.98
Land Tax	3.80
Contribution to CPF	1.16
Service Tax on Royalty	17.59
TOTAL	**425.86**

(b) According to the information and explanation given to us , there are no dues in respect of Income Tax ,sales Tax/ VAT, duty of customs, Service Tax excise duty , custom duty , service tax, cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute. **However, according to information and explanations given to us, the following statutory dues have not been deposited by the Company on account of disputes**:

Name of the Statue	Nature of the dues	Demand Amount (₹ in Lacs)	Amount deposited under protest (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
MP Sales Tax	Sales Tax	6.22	NIL	Prior to 2001	Commissioner of Sales Tax
Land Tax	Land Tax	94.67	NIL	2011 - 12	RTB Ajmer
TOTAL		**100.89**			

(viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in the repayment of dues to financial institutions, banks, Government and dues to debenture holders.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause 3(ix) of the Order is not applicable.

(x) Based on our audit procedure and as per the information and explanations given to us, no fraud by the Company or fraud on the Company by any person including its officers or employees has been noticed or reported during the year;

(xi) The provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration, are not applicable to the Company.

(xii) According to the information and explanation given to us by the management, The Company is not a Nidhi Company, hence clause 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or Private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him.

(xvi) In our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
Abhishek Dalmia
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

Annexure "B" to the Independent Auditors' Report

The Annexure B referred to in our Independent Auditor's Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

GENERAL DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013 FOR THE F Y 2017-18

I **Whether the Company has clear title/lease deeds for freehold and leasehold property respectively? If not, Please state the area of freehold and leasehold land for which title / lease deeds are not available?**

The title/ lease deeds of the immovable properties are held in the name of the Company except cases of Leasehold Land of 38000 square feet having cost of Rs. 9.62 Lacs, 199.62 Bigha land having cost of Rs. 336.05 Lacs and 258.77 hectare land having value of Rs. 190.99 Lacs, Free hold land of 4.775 hectare having value of Rs. 97.95 Lacs and buildings having cost of Rs. 254.37 Lacs, of which title/ lease deeds are pending for execution in the name of the Company.

II **Waiver/Write Off of debts/loans/interests etc.**

There are no significant cases of waiver/write off of debts/loans/interest etc. As per the process of the Company any waiver/write off of debts/loans/interest etc is accounted only with the approval of Competent Authority.

III **Inventories lying with the third parties and assets received as gift from Government or other authorities.**

We are informed that no inventory of the Company is lying with third parties as at the end of the year. There are no assets received as gift from Government or other authorities

SUB DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013 FOR THE F Y 2017-2018

1. **Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.**

   Accordingto the information and explanations given to us, the Company is taking adequate measures to reduce the adverse affect on environment as per the established norms and has taken up adequate measures for the relief and rehabilitation of displaced people. In case of Land acquisition, compensation is paid to land owners as per award of Land Acquisition Officer (LAO) which includes benefit of Relief and Rehabilitation.

2. **Whether the company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?**

   According to the information and explanations given to us, the Company had obtained the requisite statutory compliance that was required under mining and environmental rules and regulations.

3. **Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?**

   According to the information and explanations given to us, the Company has undertaken mining activities as per approved mining plan which specifies removal of overburden and back-filling.

4. **Whether the company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified.**

   Accordingto the information and explanations given to us, the Dead rent is being paid/provided for disbanded/discontinued mines.

5. **Whether the Company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**

   According to the information and explanations given to us, the Company's financial statements had properly accounted for the effects of Rehabilitation activity and Mine Closure Plan.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

Annexure "C" to the Independent Auditor's Report

Annexure C to the Independent Auditor's Report as referred to in paragraph 3(f) of 'Report on Other Legal and Regulatory Requirements' section of our report on even date

Report on the Internal Financial Controls under Clause (i) of Sub Section 3 of the section 143 of the Companies Act 2013("The Act")

To the members of Rajasthan State Mines and Minerals Ltd.

Wehave audited the internal financial controls over financial reporting of **RAJASTHAN STATE MINES & MINERALS LIMITED** ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error..

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in Lac)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
[1] Non-current assets			
(a) Property, Plant and Equipment	6	53,758.74	54,797.04
(b) Capital work-in-progress	6	22.93	9.93
(c) Financial Assets			
(i) Investments	7	11,110.50	5,236.24
(ii) Loans	8	591.79	690.58
(iii) Others financial assets	9	3,294.19	3,214.50
(c) Other non-current assets	10	28,415.61	27,828.96
		97,193.76	**91,777.25**
[2] Current assets			
(a) Inventories	11	32,229.05	30,652.35
(b) Financial Assets			
(i) Trade receivables	12	11,576.52	15,197.34
(ii) Cash and cash equivalents	13	98,423.46	91,864.61
(iii) Bank balances other than (ii) above	14	17,818.44	12,744.70
(iv) Loans	15	216.64	242.60
(v) Others current financial assets	16	495.86	1,229.23
(c) Current Tax Assets (Net)	17	1,208.78	1,434.52
(d) Other current assets	18	73,542.87	73,043.99
		235,511.62	**226,409.34**
Total Assets [1+2]		**332,705.38**	**318,186.59**
EQUITY AND LIABILITY			
[1] Equity			
(a) Equity Share capital	19	7,755.15	7,755.15
(b) Other Equity	20	209,082.89	197,359.88
		216,838.04	**205,115.03**
LIABILITIES			
[2] Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	21	624.60	681.36
(b) Provisions	22	6,110.14	5,693.04
(c) Deferred tax liabilities (Net)	23	2,095.20	3,062.40
		8,829.94	**9,436.80**
[3] Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	24	4,574.73	5,450.06
(ii) Other financial liabilities	25	14,250.88	11,139.17
(b) Other current liabilities	26	84,431.01	84,570.90
(c) Provisions	27	3,780.78	2,474.63
		107,037.40	**103,634.76**
Total Equity and Liabilities [1+2+3]		**332,705.38**	**318,186.59**

Significant Accounting Policies & Notes to Standalone Financial Statement	1 to 64

As our report of even date

For and on Behalf of the Board

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lac)

	Particulars	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
I	Revenue From Operations	28	83,161.70	70,978.97
II	Other Income	29	8,725.75	9,539.60
III	**Total Income (I+II)**		**91,887.45**	**80,518.57**
IV	Expenses			
	Purchase of Ore	30	269.92	562.04
	Changes in inventory of finished goods	31	-1,652.18	-1,426.73
	Employee benefits expense	32	16,280.50	13,830.73
	Finance costs	33	647.21	794.36
	Depreciation and amortization expense	6	3,382.11	3,769.15
	Other expenses	34	49,909.30	49,111.94
	Total expenses (IV)		**68,836.80**	**66,641.49**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**23,050.59**	**13,877.08**
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**23,050.59**	**13,877.08**
VIII	**Tax expense:**			
	(1) Current tax		7,349.86	4,837.09
	(2) Tax of earlier years		-181.84	-875.09
	(3) Deferred tax		-967.20	-1,052.43
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**16,849.77**	**10,967.51**
X	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	Fair Value Gain/Loss on investments		-28.95	16.35
	Remeasurement gain/loss on defined benefit obligation (Gratuity)		-693.02	-459.70
	(ii) Income tax relating to items that will not be reclassified to profit or loss		249.86	159.09
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XI	**Total Comprehensive Income for the period (IX+X)** [Comprising Profit(Loss) and Other Comprehensive Income for the period]		**16,377.66**	**10,683.25**
	Earnings per equity share			
XII	Basic (In Rs)	42	21.12	13.78
	Diluted (In Rs)		21.12	13.78

Significant Accounting Policies & Notes to Standalone financial 1 to 64

As our report of even date

For and on Behalf of the Board

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lac)

	Particulars	For the Year Ended March, 2018		For the Year Ended March, 2017	
A	**Cash Flow From Operating Activities**				
	Net Profit Before Tax & after exceptional item and comprehensive income		**23050.59**		**13877.08**
	Adjustments For :				
	Depreciation expense	3382.11		3769.15	
	Amortization expense	77.66		77.66	
	Interest Income	-5853.83		-6125.75	
	Interest Expenses	636.97		792.38	
	Dividend Income	-0.10		-0.10	
	Profit on sale of Property, plant & equipment(PPE)	-0.17		-13.25	
	Loss on sale of Property,plant & equipment(PPE)	0.00		0.35	
	Property,plant & equipment(PPE) Written off	11.96		0.62	
	Impaired/obsoletion of assets	1.59		2.95	
	Obsoletion loss on Spares	0.00		33.63	
	Remeasurment of defined benefit plan	-693.02		-459.70	
			-2436.83		**-1922.06**
	Operating Profit Before Working Capital Change		**20613.76**		**11955.02**
	Change In Working Capital (Excluding Cash & Cash Equivalents)				
	Decrease/(Increase) in other current financial assets	733.37		-1070.43	
	Decrease/(Increase) in other current assets	-498.88		385.05	
	Decrease/(Increase) in Loans	25.96		26.48	
	Decrease/(Increase) in inventories	-1576.70		-1406.10	
	Decrease/(Increase) in trade receivables	3620.82		2024.46	
	Decrease/(Increase) in bank balance other than cash and cash equivalent	-5073.74		-2691.10	
	(Decrease)/Increase in Trade payables	-875.33		-563.48	
	(Decrease)/Increase in other current financial liabilities	3111.71		-280.96	
	(Decrease)/Increase in other current liabilites	-139.89		-877.76	
	(Decrease)/Increase in Non-Current Provisions	417.10		407.02	
	(Increase)/Decrease in other non current financial asset	-79.69		-628.41	
	(Decrease)/Increase in Current Provisions	1306.15		1201.29	
	Decrease/(Increase) in other non current assets	-586.65		263.38	
			384.24		**-3210.56**
	Cash Generated From Operation		**20997.99**		**8744.46**
	Less: Direct Taxes Paid net of refund(including TDS)		-7077.97		-1514.25
	Net Cash flow From Operating Activities		**13920.02**		**7230.21**

(₹ in Lac)

	Particulars	For the Year Ended March, 2018		For the Year Ended March, 2017	
B	**Cash Flow From Investing Activities**				
	Repayment of loans received from employees	98.79		93.75	
	Addition in Property,plant & equipment(PPE)	-2079.71		-621.11	
	Sale of Fixed and Other Assets	0.76		77.83	
	Dividend Income	0.10		0.10	
	Interest Income	5853.83		6125.75	
	(Increase)/Decrease in Investment	-5874.26		-305.54	
			-2000.49		**5370.78**
	Net Cash (Used) In/From Investing Activities				
C	**Cash Flow From Financing Activities**				
	Interest paid	-636.97		-792.38	
	Dividend Paid	-3877.58		-3877.58	
	Dividend Distribution Tax Paid	-789.38		-789.38	
	(Decrease)/Increase in other financial liabilities	-56.76		89.26	
	Net Cash (Used) In/From Financing Activities		**-5360.69**		**-5370.08**
D	**Net Change In Cash & Cash Equivalents(A+B+C)**		**6558.84**		**7230.91**
E	**Cash & Cash Equivalents at beginning of the year**		**91864.61**		**84633.71**
F	**Cash & Cash Equivalents at end of the year**		**98423.46**		**91864.61**

Notes:

Cash & Cash Equivalent held by the Company and not available for use by it. **26645.04** **16439.92**

1 Cash Flow has been prepared under indirect method as set out in IND AS-7

2 Addition/Purchase of Property, plant & equipment(PPE) excludes movement of Capital Works in Progress & Capital Advances during the year.

3 Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current years'

As our report of even date

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

For and on Behalf of the Board

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2018

A. Equity Share Capital

(₹ in Lac)

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period
7755.15	0.00	7755.15

B. Other Equity

(₹ in Lac)

	Reserves and Surplus			Other comperhensive income		
Particulars	**Capital Reserve**	**General Reserve**	**Retained Earnings**	**Equity Instruments through Other Comprehensive Income**	**Defined benefit obligation**	**Total**
Balance as at March 31, 2016	**1,083.94**	**185,919.88**	**3,977.32**	**151.02**	**211.43**	**191,343.59**
Profits for the year	-	-	10,967.51	-	-	**10,967.51**
Fair valuation of investments	-	-	-	16.35	-	**16.35**
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-300.61	**-300.61**
Dividend payment in FY 16-17	-	-	-3,877.58	-	-	**-3,877.58**
Dividend Distribution Tax	-	-	-789.38	-	-	**-789.38**
Balance as at March 31, 2017	**1,083.94**	**185,919.88**	**10,277.87**	**167.37**	**-89.18**	**197,359.88**
Profits for the year	-	-	16,849.77	-	-	**16,849.77**
Fair valuation of investments	-	-	-	-28.95	-	**-28.95**
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-443.16	**-443.16**
Dividend payment in FY 17-18	-	-	-3,877.58	-	-	**-3,877.58**
Dividend Distribution Tax	-	-	-789.38	-	-	**-789.38**
Prior Period Adjustments	-	-	12.31	-	-	**12.31**
Balance as at March 31, 2018	**1,083.94**	**185,919.88**	**22,472.99**	**138.42**	**-532.34**	**209,082.89**

As our report of even date

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

For and on Behalf of the Board

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

SIGNIFICANT ACCOUNTING POLICIES, ASSUMPTIONS AND NOTES TO ACCOUNTS

1 COMPANY OVERVIEW

Rajasthan State Mines and Minerals Ltd. is a Government of Rajasthan owned enterprise and is engaged in the business of mining & selling of Rock Phosphate, Lignite, Limestone, Gypsum and generation of Wind and Solar power. The Company is a Company limited by shares incorporated on 7th May, 1947. The registered office of the Company is located at C-89-90, Janpath, Lalkothi, Jaipur.

2 BASIS OF PREPARATION

2.1 The standalone financial statements has been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Effective date 1st April, 2016 with 1st April 2015 as transition date, the company had adopted all the Ind AS standards and the adoptions was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards including clarification issued by Ind AS Transition Facility (ITFG) on various issues. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2.3 Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.4 All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.5 The significant accounting policies used in preparing the Standalone financial statements are set out in Notes to the Financial Statements.

2.6 The preparation of the Standalone financial statements requires management to make estimates, judgements and assumptions. Actual results could vary from these estimates. The estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Notes on critical accounting estimates, assumptions and judgements). The management believes that the estimates used in preparation of the Standalone financial statements are prudent and reasonable.

2.7 Amounts in these Standalone financial statements have, unless otherwise indicated, have been rounded off to 'Rupees in Lakhs' upto two decimal points.

3 STATEMENT OF COMPLIANCE

The Standalone financial statements comprising of the Balance Sheet, Statement of Profit and Loss,

Statement of changes in equity, Statement of Cash Flow together with notes comprising a summary of Significant Accounting Policies and Other Explanatory Information for the year ended 31st March 2018 and comparative information in respect of the preceding period and Balance Sheet as on 31st March 2017 have been prepared in accordance with IND AS as notified and duly approved by the Board of Directors, along with proper explanation for material departures.

4. ACCOUNTING POLICIES

4.1 Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under the historical cost convention except:

(a) Financial assets and liabilities barring a few assests carried at amortised cost, disclosed separately

(b) Assets held for sale – measured at fair value

(c) Defined benefit plans – Plan assets measured at fair value

The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency.

4.2 Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

(b) Held primarily for the purpose of trading,

(c) Expected to be realised within twelve months after the reporting period, or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when it is:

(a) Expected to be settled in normal operating cycle,

(b) Held primarily for the purpose of trading,

(c) Due to be settled within twelve months after the reporting period, or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4.3 Property, Plant and Equipment

* Property, plant and equipment are tangible items that:

  (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

  (b) are expected to be used during more than one period.

* Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 Lakhss are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The residual value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.

* The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

* Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

* Assets are depreciated to their residual values on a written down basis over the estimated useful lives given in schedule II of Companies Act, 2013 except for assets specified in the following paragraphs. Asset's residual values and useful lives are reviewed at the end of each financial year considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life.

* Leasehold lands are amortised over the respective period of lease.

* Freehold land, other than Mining Land, is not depreciated.

* Cost of freehold mining land, remaining unusable after excavation of mineral is amortised on the basis of minerals actually produced during the year to the total estimated minable reseves reckoning from the year in which regular production is commenced.

* Property, Plant and Equipment costing up to Rs 5,000 each are fully depreciated in the year of purchase/installation.

* Assets not owned by the Company is amortised in the year of completion.

Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if

there has been a change in the estimate of recoverable amount. Post impairment ,depreciation is provided on the revised carrying value of the carrying value of the impaired asset over its remaining useful life.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

4.4 Cash and cash equivalents

* Cash and cash equivalents include cash in hand and at bank, deposits held at call with banks, PD account with the government, Fixed Deposits and Flexi fixed deposits.

* For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits.

4.5 Inventories

a Finished goods:

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprise of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the FIFO basis.

b Stores & Spares:

* Stores and Spares are valued at their weighted average cost.
* Obsolete spares, stores are taken at Nil value.
* Stores and spares that do not qualify for the definition of PPE are treated as inventory.
* Shortages found on physical verification of materials are being accounted for, considering the nature of material and the volume of shortages.

c CER/VER/RECs

* Certified Emission Reduction certificates, Voluntary Emission Reduction certificates and Renewal Energy Certificates are valued at cost incurred for their certification or their Net Realizable Value, whichever is lower.

4.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

a Finance lease

* A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

* Assets given by lessor under finance lease are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease receipts are apportioned between the reduction of lease receivable and finance income so as to achieve a constant rate of interest on the remaining balance of the receivable for each period. The corresponding rent receivables, net of finance charges, are included in current and non-current other financial asset. The interest element of lease is accounted in the Statement of Profit and Loss over the lease period.
* Assets taken on leases are capitalized at the commencement of the lease at the inception date at lower of fair value of the leased property or present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit or Loss. A leased asset is depreciated over the useful life of the asset.
* Assets held under finance leases are recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's policy on borrowing costs.

b Operating lease

* An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.
* Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Payments/receipts under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

4.7 Employee benefits

* Short term employee benefits, which are expected to be settled within twelve months after the end of the period in which the employees rendered the related service, are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
* Leave encashment being are in the nature of other long term benefits is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Statement of Profit and Loss in the period in which they arise.

* Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.
* The cost of providing Gratuity, a Defined Benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by an independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss. Gratuity liability is funded with LIC of India.
* Retirement benefit in the form of post-retirement medical benefit is a defined contribution scheme in which the Company contributes annually 25% of the amount contributed by the employees.
* Liability for Sick Leave is accounted for on the basis of actuarial valuation by an independent Actuarial valuer and all re-measurement gains and losses are accounted for in the Statement of Profit and Loss.
* Payments made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss as and when incurred.

4.8 Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets identified as held for sale are reclassified as current assets and measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statement of Profit and Loss. On classification as held for sale the assets are no longer depreciated.

4.9 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a Financial Assets

* Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on the judgment of the management for managing those financial assets and the assets' contractual cash flow characteristics.
* Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes, financial assets are assessed individually.

De-recognition of financial Asset

A financial asset is primarily derecognised (i.e. removed from the balance sheet) when:

* The rights to receive cash flows from the asset have expired, or
* The Companyhas transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the

risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on the following financial assets:

Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balances.

Trade receivables:

* A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.
* Impairment is made for the expected credit losses. The estimated impairment losses are presented as a deduction from the value of trade receivables and the impairment losses are recognised in the Statement of Profit and Loss under "Other expenses".
* Subsequent changes in assessment of impairment are recognised in ECL and the change in impairment losses are recognised in the Statement of Profit and Loss under "Other Expenses".
* Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Profit and Loss under "Other Expenses".
* Subsequent recoveries of amounts previously written off are credited to "Other Income".

Investment in equity instruments:

Investment in equity securities except investment in subsidiaries, associates and joint ventures are initially measured at fair value, irrespective of their current or non current nature. Any subsequent fair value gain or loss is recognised through Other Comprehensive Income, since all the equity instruments are measured at Fair Value through Other Comprehensive Income . Their is no recycling of any amount of gain/loss recognised in other comprehensive income due to sale of these investments. Investments in Subsidiaries, Associates and Joint ventures have been recognised at their cost.

b Financial Libilities

At initial recognition, all financial liabilities other than those valued at fair value through profit and loss are recognised at fair value less transaction costs that are directly related to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

The Company has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss.

Financial liabilities measured at amortised cost

After initial recognition, interest free Security Deposits and other financial liabilities are valued at Amortised cost using Effective Interest Rate method (EIR Method). The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in profit or loss as "Other Income" or "Finance Expense".

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.10 Taxation

* Income tax expense represents the sum of Current Tax and Deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.
* Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the Income Tax Act 1961. Current tax assets and current tax liabilities are off set and presented as net.
* Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

4.11 Investment in Subsidiaries, joint ventures and associates:

* **Subsidiary:** A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the Company the ability to direct relevant activities, those which significantly affect the entity's returns.
* **Associate:** Associate entities are entities, over which an investor exercises significant influence but not control. Significant influence is defined as power to participate in the financial or operating policy decisions of the investee but not control over the policies.

  The Company assumes that holding of 20% or more of the voting power of the investee (whether directly or indirectly) gives rise to significant influence, unless contrary evidences exist.
* **Joint arrangement:** A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

4.12 Earnings per share

* Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.
* Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

4.13 Provisions and contingencies

a Provisions

* Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
* If the effect of the time value of money is material, provisions are discounted using esing an appropriate discount rate.
* Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b Mine restoration or assets retirement obligation

Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of closure of mine. The cost estimates, if required will be reviewed and will be adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The unwinding of the discount on provision is shown as a "Finance expense" in the Statement of Profit and Loss.

c Contingencies

* Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflowof resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the Standalone Financial Statements.
* Contingent assets are not recognised in the books of the accounts but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset and the corresponding income is booked in the Statement of Profit and Loss.

4.14 Revenue recognition and other income

a Revenue from sale of Minerals:

* Revenues are measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and clean energy cess. Excise duty, Royalty, DMF, NMET are liability of the Company . Since the recovery of these taxes flows to Company on its own account, revenue includes these taxes.
* Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.
* No significant financing component exists in the sale price.

b Revenue from sale of Power:

- Revenue from sale of power segment is accounted on the basis of billing to the customer and includes unbilled revenues accrued up-to the end of financial year.
- Customers are billed on the basis of rates specified in the contract which are revised on time to time basis.

4.15 Other income

a Interest

- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- Interest is accounted on accrual basis on overdue receivables.

b Dividend

Dividend income is recognized when the right to receive dividend is established.

c Lease

Lease agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lesser are recognized as operating lease. Operating lease rentals are recognized on straight line basis as per the terms of agreement in the statement of profit and loss.

4.16 Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

4.17 Forest Plantation & Environment

Expenditure on afforestation including payments made to forest department is written off in the year in which the same is incurred.

4.18 Exploration and Evaluation Asset

The expenditure incurred on survey, prospecting and development of mines till the feasibility of mine is established is capitalised as Exploration and Evaluation asset. Once the mining operation starts, the same is amortized over the period of five years in equal annual installments. In case the operation is abandoned in subsequent period unamortized portion of the deferred expenditure is charged to statement of profit & loss in the same year.

4.19 Mine Closure Liability

The company's obligation for land reclamation and decommissioning of structures consists of spending in accordance with the guidelines from Ministry of Coal, Government of India. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved or draft Mine Closure Plans. The estimates of expenses discounted at the rate equivalent to the rate considered for contribution in escrow account so that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The company records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised at the time of initial recognition. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate assetsand amortised over the balance project/mine life. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

a Post Mine Closure Liability

Mine closure liability has been determined on the basis of final/draft mine closure plan and recognised in books of account at the discounted value of liability using the appropriate discount rate and mine life. Corresponding asset is also recognised in books of account and amortised on straight line basis over the life of mine.

b Progressive Mine Closure Liability

The company accounted for concurrent mine closure expenses, to the extent the expense are incurred in the respective year and the shortfall/ excess expenditure made as compared with the approved prograssive mine closure plant if any are recognised as provision/asset in the Standalone financial statements of respective year. However no assets are recongined where ever no futher economic benefit available for the same.

4.20 Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

5 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The estimates and judgements used in the preparation of the Standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectation of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events that existed as at the reporting date, or that which occured after the date but provide additional evidence about the conditions existing at the reporting date.

a Property, plant and equipment

- Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

b Income taxes

- Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities.
- The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Standalone financial statements.

c Contingencies

- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

d Impairment of accounts receivable and advances

- Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

e Employee benefit expenses

- Actuarial valuation for gratuity, sick leave and leave encashment liability of the Company has been done by an independent actuarial valuer on the basis of data provided by the Company and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

f Capital spares

- Only those capital spares whose value exceeds Rs. 2.00 Lakhs and have a useful life of more than one year have been considered for the purpose of capitalization under property, plant & equipment in the books of account. Further, all such spares are assumed to have a useful life of 18 months.

g Discounting of Security deposit, retention money and other long term liabilities

- For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Standalone financial statements.

h Amortised Cost for Employee Loans

- Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Standalone financial statements and involvement of practical difficulties.

i Inclusion of taxes in revenue

- Excise duty ,Royalty ,DMF and NMET are liability of the Company . Since the recovery of these taxes flows to Company on its own account, revenue includes these taxes.

j Market rate of interest

- Rate of interest on PD account has been considered as the market rate of interest for employee loans. All the loans have been given above the rate of interest on PD account and hence none of the loans have been discounted.

k Investment in Equity Instruments

- Investments made in equity instruments other than subsidiaries, joint ventures and in associates, have been valued at fair value using the net asset value of the investee Companies as on the reporting date.

l Restatement of Prior Period Items

- Material prior period items, i.e. items having a value of above Rs. 5.00 Lakhs have been restated in the previous year financials.

6 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lac)

Particulars	Mining Land	Free Hold Land	Lease Hold Land	Buildings	Railway Rakes & Sidings	Plant & Machinery	Power Plant	Furniture & Fittings	Vehicles	Water Supply Plant & Pipeline	Office & Other Equipment
Gross Block											
As at March 31, 2017	**33398.86**	**376.24**	**666.90**	**5077.32**	**2563.41**	**20613.19**	**0.00**	**354.82**	**613.61**	**1706.05**	**705.41**
Additions	41.65	2046.21	0.00	2.74	0.00	6.60	0.00	5.41	0.00	0.28	42.25
Deductions	0.00	0.00	0.00	-41.00	0.00	-8.86	0.00	-7.35	-19.36	-0.90	-56.70
As at March 31, 2018	**33440.51**	**2422.45**	**666.90**	**5039.06**	**2563.41**	**20610.93**	**0.00**	**352.88**	**594.25**	**1705.43**	**690.96**
Accumulated Depreciation											
As at 31.03.2017	**1604.83**	**0.00**	**141.16**	**2766.34**	**2435.27**	**19205.21**	0.00	**320.81**	**535.53**	**1521.86**	**647.93**
Depreciation	178.19	0.00	9.02	180.53	0.00	185.36	0.00	9.63	21.19	26.32	31.41
Other Adjustments	0.00	0.00	0.00	-29.18	0.00	-8.38	0.00	-7.06	-18.11	-0.86	-55.76
As at 31.03.2018	**1783.02**	**0.00**	**150.18**	**2917.69**	**2435.27**	**19382.19**	**0.00**	**323.38**	**538.61**	**1547.32**	**623.58**
Net carrying amount											
As at 31.03.2017	31794.03	376.24	525.74	2310.98	128.14	1407.98	0.00	34.01	78.08	184.19	57.48
As at 31.03.2018	31657.48	2422.45	516.71	2121.37	128.14	1228.73	0.00	29.50	55.64	158.11	67.38

6 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lac)

Particulars	Electrical Equipment & Inst.	Laboratory Equip-ments	Wind Power Plant	Dam	Tailing Dam	Road	Solar Power Plant	Machinery in stores/ at site	Machinery Spares	Total PPE	Capital WIP
Gross Block											
As at March 31, 2017	**2432.81**	**52.60**	**53119.97**	**546.42**	**922.14**	**2601.04**	**2675.76**	**0.95**	**760.30**	**129187.80**	**9.92**
Additions	6.67	15.05	0.00	0.00	0.00	13.50	0.00	0.21	178.86	2359.42	**13.01**
Deductions	-4.75	-2.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-141.39	
As at March 31, 2018	**2434.74**	**65.18**	**53119.97**	**546.42**	**922.14**	**2614.54**	**2675.76**	**1.16**	**939.16**	**131405.83**	**22.93**
Accumulated Depreciation										0.00	
As at 31.03.2017	**2191.93**	**45.60**	**38562.78**	**525.43**	**896.15**	**1902.03**	**701.38**	**0.00**	**386.51**	**74390.75**	**0.00**
Depreciation	48.09	3.68	1789.41	0.00	0.00	295.68	251.34	0.00	352.24	3382.11	
Other Adjustments	-4.29	-2.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-125.77	
As at 31.03.2018	**2235.73**	**47.15**	**40352.19**	**525.43**	**896.15**	**2197.71**	**952.72**	**0.00**	**738.76**	**77647.09**	**0.00**
Net carrying amount										0.00	
As at 31.03.2017	240.88	7.00	14557.19	20.99	25.99	699.01	1974.37	0.95	373.78	**54797.04**	**9.93**
As at 31.03.2018	199.01	18.03	12767.78	20.99	25.99	416.83	1723.03	1.16	200.40	**53758.74**	**22.93**

6.1 Freehold land includes ₹ 62.16 Lac (Prev Year ₹ 62.16 Lac) located at Bhatt Ji Ki Bari, Udaipur given on conditional lease of Rs.1 P.a to American International Health Management System for 99 years. In substance there is no transfer of risk and reward to the lessee as the land has an indefinite useful life and the present value of minimum lease payment does not corresponds to the fair value of the land.

6.2 The cost of mining land includes ₹ 1,718.17 Lac (Prev Year ₹ 1,718.17 Lac) deposited with the office of Collector, Nagaur for disbursement to the land owners in respect of acquisition of 7509 bighas of land for mining of Lignite at Nagaur vide Land Acquisition Award dated 19.09.2000 issued by Land Acquisition Officer (SDO, Nagaur). Out of the above deposited amount, the District Collector, Nagaur has disbursed an amount of ₹ 1,648.21 Lac (Prev year ₹ 1,648.21 Lac) so far.

6.3 In compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/2012/3999 dated 08/05/2015 for acquisition of mining land 48.29 hectare at Jhamarkotra, Dhamdhar,Parola and Mamadev villages at a compensation of ₹ 2,351.21 Lac, cheques of ₹ 2,339.51 Lac (Prev year ₹ 2,162.16 Lac) have been issued to villagers. Out of which mutation of the land worth ₹ 2,046.29 Lacs has been done in favour of the company and the same has been capitalised.

6.4 The cost of mining land includes ₹ 152.71 Lac (Previous year ₹ 152.71 Lac). The land acquired in compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/1/02/4953 – 55 dated 30.6.2004 and modifications thereof issued in the financial year 2006-07 for acquiring 56 hectare of land at Jhamarkotra, Lakkadwas, Sameta and Dhamdhar villages. Out of the total compensation, only 42 land owners took payment of ₹ 54.19 Lac (Previous year ₹ 54.19 Lac). The balance amount has been deposited with the court of Civil Judge Sr. Division Udaipur in the form of Fixed Deposit Receipts. The land acquisition proceeding and mutation are in progress.

6.5 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 26,869.25 Lac (Prev Year ₹26,869.25 Lac) to the Company for purchase/acquisition of Land for Mining of Lignite at Kapuradi villages in the state of Rajasthan. The proceedings for purchase/acquisition of Land have been initiated and the amount of ₹ 26,732.42 Lac (Prev Year ₹ 26,732.42 Lac) has been paid to Land acquisition Officer for acquisition of land and ₹ 43.48 Lac (Prev Year ₹ 43.48 Lac) has been refunded back to JV Company.

The mutation of land has been done in the favour of RSMML.Amount paid /payable towards land is ₹26,912.88 Lac (Prev Year ₹ 26,912.88 Lac). The Government of Rajasthan through its letter dated 14.09.2012 has not acceded transfer of ownership of land from RSMML to its JV Company (BLMCL). However the possession of the land along with the mining rights rest with BLMCL and therefore the economic benefit from the usage of land will not flow to RSMML. Further in view of Para 9 of Annexure to the 'Guidelines For Preparation of Mine Closure Plan' dated 27th August '2009 (Similar to the para 8.1 of the revised guidelines dated 7th January'2013), said land is to be reclaimed and can be surrendered to the State Government only after obtaining a mine closure certificate from coal controller to the effect that the protective reclamation and rehabilitation works in accordance with the approved mine closure plan/final mine closure plan have been carried out .

Accordingly RSMML will neither get any economic benefit from the said land nor the control of it. In absence of both these factors the said land does not satisfy the qualifying criteria for recognition of asset as mentioned in Para 49 clause (a) of the 'Framework for the preparation and presentation of financial statements' issued by the Institute of Chartered Accountants of India. Also Company is not under any obligation to repay the amount received from BLMCL for the purchase of said land as the possession of land rests with it. Hence the deposit received from BLMCL is not a liability as defined in Para 49 clause (b) of the 'Framework for the preparation and presentation of financial statements' issued by the Institute of Chartered Accountants of India. Accordingly Company has not treated such amount as asset and liability in its financial statements. However, since the title of the land at Kapurdi mutated to RSMML same is shown at a nominal value of ₹1 in the Balance Sheet.

6.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 70,825.55 Lac(Prev Year ₹ 70,825.55 Lac) to the Company for purchase/acquisition of Land for Mining of Lignite at Jalipa villages in the state of Rajasthan. The proceedings for purchase/acquisition of Mining Land have been initiated and the amount of ₹ 67,436.92 Lac (Prev year ₹ 67,045.99 Lac) has been paid to Land acquisition Officer for acquisition of land upto 31.03.2017. The progress of land acquisition and mutation in favour of Company is in process . Since mutation of the entire land in favour of RSMML has not been done and also Company has not received any directions about transfer of land to BLMCL , no accounting adjustments as per note 6.5 is being made. The mining lease has been trasferred to BLMCL on 25.05.2015.

6.7 The cost of mining land includes ₹ 4,549.11 Lac being value of 4215.75 Bigha of land capitalised upto 31.03.2018 at Gurah West as per award passed for acquisition of land. Out of 4215.75 Bigha, 4082.36 Bigha of land has already been acquired and remaining 133.39 Bigha of land valuing ₹ 190.99 Lac is yet to be acquired and payment is to be made.

6.8 The cost of mining land includes ₹ 7,856.20 Lac (Prev Year ₹ 7814=55 Lac) being value of 2823.85 Bigha of land capitalised up to 31st March 2018 at Giral phase III as per award passed for acquisition of land. Out of 2823.85 Bigha, 2699.50 Bigha of land has already been acquired and remaining 124.35 Bigha of land valuing ₹ 335.70 Lac is yet to be acquired and payment is to be made.

6.9 Various assets taken over by erstwhile RSMDC from RIMDC (now RIICO) on 31.10.1979 have not yet been registered in the name of the Company.

6.10 Various assets taken over by the Company from erstwhile RSMDC consequent upon its merger with the Company have not yet been registered in the name of the Company. The process of registration of such assets is in progress.

6.11 The Company has submitted a solvency security dated 25.02.2008 certificate to the Jodhpur Bench of Hon'ble High Court Rajasthan in favour of North Western Railway & other Railway Authorities Jodhpur on assets of the Company in a case bearing no.D.B.SAW no. 697/2008 filed by the Company against Railway relating to payment of punitive charges amounting to ₹ 760.57 Lac imposed on the Company. As per directions of the Court the Company has deposited a sum of ₹321.83 Lac.

7 NON CURRENT FINANCIAL ASSET

INVESTMENT

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Quoted investments		
(a) Under buy back arrangement		
(i) 1,43,000 Equity Shares In Mewar Marbles Ltd of ₹ 10/- each Fullypaid-up. Last quoted ₹ 7/-Per Share at Mumbai Stock Exchange in 1996-97 (Previous year 1,43,000 shares)	14.30	14.30
Less :Diminution in value	-14.30	-14.30
(Diminution in value to Rs 1)	-	-
(ii) 3,00,000 Equity Shares in Nihon Nirman Ltd of ₹ 10/- each Fully paid-up. last quoted at ₹ 2/-Per Share at Kolkata Stock Exchange in Aug.1997 (Previous year 3,00,000 shares)	30.00	30.00
Less :Diminution in value	-30.00	-30.00
(Diminution in value to Rs 1)	-	-
(b) Others		
(i) 1,72,500 Equity Shares In Nihon Nirman Ltd of ₹ 10/- each fully paid-up. last quoted at ₹ 2/-per share at Kolkata Stock Exchange in Aug.1997 (Previous year 1,72,500 shares)	17.25	17.25
Less :Diminution in value	-17.25	-17.25
(Diminution in value to Rs 1)	-	-
Unquoted investments		
Investment in equity instruments		
(a) Subsidiary Companies		
(i) 1,02,00,000 Equity Shares in Barmer Lignite Mining Company Limited of ₹ 10/- each fully paid-up)(Previous Year 1,02,00,000 Equity Shares)	-	-
(Valued at Rs 1)		
(ii) 6,70,75,000 Equity Shares in Rajasthan State Petroleum Corporation Limited of ₹ 10/- each fully paid-up)(Previous Year 1,11,00,000 Equity Shares)	6707.50	1110.00
(b) Associate Companies		
(i) 9,000 Equity Shares in Rajesh Mineral Inds. Ltd of ₹ 100/- Each Fully Paid up (Previous year 9,000 shares)	9.00	9.00
Less :Diminution in value	-9.00	-9.00
(Diminution in value to Rs 1)	-	-

Particulars	As at March 31, 2018	As at March 31, 2017
(c) **Other non current investments**		
(i) 10,000 Equity Shares in Mayur Inorganics Ltd. of ₹ 10/- each Fully Paid-up (Previous year 10,000 shares)	10.12	9.52
(ii) 3,00,000 Equity Shares (including 1,50,000 Bonus Shares in Ostwal Phoschem (India) Limited ₹ 10/- each fully paid-up) (Previous year 3,00,000 shares (including 1,50,000 Bonus shares) of ₹ 10/- Each Fully Paid up)	144.29	173.85
(iii) Investment in Employees Leave Encashment Scheme from LIC	4,248.59	3,942.87
Total	**11,110.50**	**5,236.24**

7.1 The Company has formed a joint venture company with Raj West Power Limited, Jaipur (RWPL) in the name of Barmer Lignite Mining Company Ltd. Jaipur (BLMCL) to undertake the work of Lignite mining in Jallipa & Kapuradi areas of Barmer District and supply the same to RWPL for its Lignite based pit head power plant. As per the terms of the agreement between RSMML & RWPL, RSMML shall have 51% shares in BLMCL and RWPL will hold the remaining 49% of the equity of the JV Company. BLMCL has allotted 1,02,00,000 shares (Prev year 1,02,00,000 shares) to the Company having face value o f ₹ 1,020.00 Lakhs till 31.03.2018 (Prev year ₹ 1,020.00 Lakhs). These shares are shown as investment at a token vale of ₹ 1/- in view of the opinion obtained from the Institute of the Chartered Accountants of India.

7.2 The Company has taken up the " Rajasthan State Mines & Minerals Limited - Employee Group Leave Encashment Scheme" (RSMML EGLES) from Life Insurance Corporation against the Leave Encashment Liability. A sum of ₹ 4248.59 Lakhs (Previous Year ₹ 3,942.87 Lakhs) has been invested under this scheme. The intention of holding this investment is of long term.

8 LOANS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Loans to Employees (Unsecured)		
Considered Good	591.79	690.58
Considered doubtful	0.56	0.56
Less: Provision	-0.56	-0.56
Total	**591.79**	**690.58**

9 OTHER NON COTTENT FINANCIALS ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured and considered Good		
Security deposits	878.87	790.24
Interest accrued on FDRs/NSCs	690.76	699.70
Northen Western Railway		
Considered good		
Considerd doubtful	86.28	86.28
Less: Provision	-86.28	-86.28
Claims recoverable		
Considerd good	1,724.56	1,724.56
Total	**3,294.19**	**3,214.50**

9.1 Claims ecoverable includes an amount of ₹ 1,724.56 Lakhs (Prev. Year ₹ 1,724.56 Lakhs) recoverable from various contractors engaged in transportation and loading of limestone at Railway siding on account of punitive/penal/dead freight levied by the Railways on under loading/overloading of limestone. The contractors have filed Court cases against the company which are yet to be decided.

10 OTHER NON CURRENT ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Others		
Considerd good	85.47	549.94
Considerd doubtdul	15.73	15.73
Less: Provision	-15.73	-15.73
	-	-
Minning property	1,863.15	1,940.81
Capital Advance (Considered Good)	12,213.62	11,920.90
Prepaid Expenses	200.90	132.65
Exploration and evaluation asset	778.28	778.28
Income tax deposits	13,274.15	12,506.34
Non Judicial Stamps in hand	0.04	0.04
Total	**28,415.61**	**27,828.96**

11 INVESTORIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Finished Goods		
Rock Phosphate	25,452.14	22,825.26
Beneficiated Rock Phosphate	4,708.09	5,149.74
Rajphos	188.95	214.41
Gypsum	24.65	199.09
Lime stone	249.32	582.46
Bio Diesel and by products	1.90	1.90
Stores and Spares	1,604.00	1,679.49
(Including in transit Rs 81.28 lac) (Previous year Rs. 11.99 lac)		
Total	**32,229.05**	**30,652.35**

11.1 The Company had used a small percentage of secondary ore of Rock Phosphate for beneficiation in its Industrial Beneficiation Plant on trial basis in past. The Secondary ore of Rock Phosphate is a very low grade mineral containing high silica and is being treated as waste material having no value. Since, the usability & economic viability of the secondary ore of Rock Phosphate for beneficiation is yet to be established, the same is being valued at zero as per the prevailing system of valuation of Rock Phosphate from the financial year 2008-09.

11.2 The Company was having 112936 CERs and 19643 VERs on 31.03.2018 (112936 CERs and 19643 VERs in hand on 31.03.2017) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

11.3 The company was having 20160 REC on 31.03.2018 (12605 REC on 31.03.2017) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

12 TRADE RECEIVABLES (UNSECURED)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Considered Good	11,576.52	15,197.34
Considered Doubtful	698.42	695.67
Less: Provision	(698.42)	(695.67)
Total	**11,576.52**	**15,197.34**

13 CASH AND CASH EQUIVALENTS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with bank		
In Current Account	11,108.09	7,661.83
In Deposit Account	8,826.60	3,695.22
Cash in hand	1.89	2.14
Others	-	-
Balances with Treasury in P. D. Account	78,486.88	80,505.42
Total	**98,423.46**	**91,864.61**

13.1 Cheques amounting to ₹ 1,466.87 Lakhs were issued to respective land acquisition officers but not presented for payment till 31.03.2018 of land compensation. These land owners went to the courts of law against the compensation awarded.The cheques given to such land owners are submitted before the respective Courts in support of documentary evidence of making payment and have been marked as "Exhibit" in the case file. Matter being subjuidice hence no adjustment on account of stale cheque liability provided in the books of accounts. These cheques shall be revalidated/cancelled as per the decision of the Courts.

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unpaid dividends	1.91	1.59
Earmarked balances with banks	12,347.93	8,801.51
Escrow account for Mine Closure Fund	5,468.60	3,941.60
Total	**17,818.44**	**12,744.70**

14.1 Earmarked balances with bank includes Fixed deposit of of ₹ 490.69 Lakhs (Prev year ₹ 357.73 Lakhs) with maturity of more than twelve months.

14.2 In compliance of directives given by the competent courts in some cases of SBU-PC lignite ,bankers have retained a sum of ₹ 270.25 Lakhs (Prev. year ₹ 252.02 Lakhs) in the form of FDRs which are in lien with them to be used for the specified purposes.

14.3 The company has also opened Escrow Accounts for both Sonari & Giral Mines with banks and a total sum of ₹ 5468.60 Lakhs (Prev year ₹ 3,941.60 Lakhs) has been deposited till 31.03.2018 in both the accounts. Mine Closure plan of Kasnau and Matasukh mines are yet to be approved. The company is having sufficient funds to meet its obligation towards mine closure expenses.

15 LOANS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Considered Good	216.64	242.60
Considered doubtful	1.28	1.28
Less: Provision	-1.28	-1.28
Total	**216.64**	**242.60**

16 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Advances to Subsidiaries	-	1,014.60
Interest accrued on FDRs/NSCs	473.79	187.31
Claims Recoverable (Including Duty Drawback Receivables)		
Considered good	22.07	27.32
Considered doubtfull	50.86	50.86
Less: Provision	-50.86	-50.86
Total	**495.86**	**1,229.23**

17 CURRENT TAX ASSET (NET)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax Deposits	8,308.78	6,112.52
Less: Provision for income tax	7,100.00	4,678.00
Total	**1,208.78**	**1,434.52**

18 OTHER CURRENT ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Other receivables		
Considered good	650.50	200.30
Considered doubtful	82.72	82.72
Less: Provision for doubtful debts	-82.72	-82.72
Other short term loans and advances		
Considered good	72,638.22	72,634.79
Considered doubtful	45.53	45.53
Less: Provision	-45.53	-45.53
Prepaid expenses	127.92	84.14
Machinery held for Sale	126.23	124.76
Total	**73,542.87**	**73,043.99**

18.1 Others short term loans and advances includes advances to others amounting ₹ 67,436.92 Lakhs (Prev year ₹ 67,045.99 Lakhs) being amount paid to Land acquisition officer for acquisition of land at Jalipa Village in state of Rajasthan.

18.2 Others short term loans and advances includes ₹ 903.77 Lakhs (Previous year ₹ 936.29 Lakhs) being amount recoverable from PHED,Nagaur for distribution of desalinated water by M/S Nagaur Water Supply Company Pvt Ltd.

19 EQUITY SHARE CAPITAL

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
AUTHORISED		
8,00,00,000 Equity shares of ₹ 10/- each		
(Previous Year 8,00,00,000 Equity Shares of ₹ 10/- each)	8,000.00	8,000.00
ISSUED, SUBSCRIBED AND PAID-UP		
7,75,51,500 Equity Shares of ₹ 10/- each fully paid-up	7,755.15	7,755.15
(Previous year 7,75,51,500 Equity Shares of ₹ 10/- each fully paid-up)		
	7,755.15	7,755.15

19.1 Details of shares held by Shareholders holding more than 5% Shares

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Name of Shareholder	No. of Shares (% held)	No. of Shares (% held)
Government of Rajasthan through Governor of Rajasthan	7,754.15 (99.99)	7,754.15 (99.99)

19.2 The reconciliation of the number of shares outstanding is set out below-

(₹ in Lac)

Particulars	2017-18	2016-17
Equity shares at the beginning of the year	775.52	775.52
Add: Issued during the year	-	-
Less : Shares cancelled on buy back during the year	-	-
Equity shares at the end of the year	775.52	775.52

19.3 Rights, preferences and restrictions attached to shares

The Company has one class of equity share having a par value of ₹10 per share. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM.

20 OTHER EQUITY

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Reserve	**1,083.93**	**1,083.93**
General Reserve (as per last balance sheet)	185,919.88	185,919.88
Add: Transferred from Retained Earnings	-	-
Retained Earnings		
As per last balance sheet	10,277.88	3,977.33
Add: Profit for the year	16,849.76	10,967.51
Appropriations		-
Dividend	-3,877.58	-3,877.58
Dividend Distribution Tax	-789.38	-789.38
Prior Period Adjustments as per IndAS	12.31	-
	22,473.00	**10,277.88**
Other Comprehensive Income Reserve		-
As per last balance sheet	78.19	362.44
Add: Other Comprehensive Income for the year	-472.11	-284.25
	-393.92	**78.19**
Total	**209,082.89**	**197,359.88**

20.1 Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss; and ii). Items that will be reclassified to profit and loss.

General Reserve represents a statutory reserve that is in accordance with Companies Act wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer an amount before the company can declare any dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

Capital Reserve includes the amount arise on account of amalgamation of company with Rajasthan State Mineral Development Corporation Limited.

21 OTHER NON-CURREBT FINANCIAL LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Other Payables	624.60	681.36
Total	**624.60**	**681.36**

22 PROVISIONS (NON CURRENT)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employees benefits		
Provision for Leave Encashment	2,929.00	2,670.27
Provision for Sick Leave	483.88	453.95
Provision for Mine Closure	2,697.26	2,568.82
Total	**6,110.14**	**5,693.04**

22.1 Mine closure liability of some mines are immaterial based on the conditions existing on the balance sheet date and accordingly the Company did not recognised the liability of those mines.

23 DEFERRED TAX LIABILITY

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities	4,157.72	4,937.05
Deferred Tax Assets	2,062.52	1,874.65
Total	**2,095.20**	**3,062.40**

24 TRADE PAYABLES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Micro, small and Medium Enterprises	14.81	12.80
Others	4,559.92	5,437.26
Total	**4,574.73**	**5,450.06**

24.1 In compliance of the requirement under "The Micro, Small and Medium Enterprises Development Act, 2006" the Company has been making request to its vendors to provide their status under "The Micro, Small and Medium Enterprises Development Act, 2006". On the basis of the information received from various supplier/vendor the requisite information is as under-

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Delayed payments due - Principal	14.81	12.80
Interest due	0.75	0.58
Total interest paid on all delayed payments during the year under the provisions of the Act		
Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.75	0.58
Interest accrued but not due	-	-
Total Interest due but not paid	0.75	0.58

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unclaimed Dividend*	1.91	1.59
Security Deposits	2,639.43	1,717.17
Retention	1,618.40	2,773.05
Other Payables	9,991.14	6,647.36
Total	**14,250.88**	**11,139.17**

* There is no amount due & outstanding as at balance sheet date to be transferred to Investor Education & Protection Fund as per Section 125 of the Companies Act 2013.

25.1 As royalty is chargeable / payable on the mineral taken out from mining areas, the Company is not providing any liabilities towards royalty chargeable / payable on the minerals lying in the mining areas.

25.2 In compliance of Gazette notification dated 10th April 2003, Royalty on Rock Phosphate & Gypsum was being paid to DMG at prescribed rate on the monthly benchmark price declared by the Indian Bureau of Mines(IBM) of these minerals. Since IBM is declaring the bench mark prices after a gap of six-seven months which are effective retrospectively, there remains some difference in the amount of royalty collected and payable to DMG on Rock phosphate as per the IBM formula. The Company had issued demand letters in earlier years to its customers for Rock Phosphate for payment of differential royalty in the cases where amount of royalty recovered was short and the customers have filed cases in Jodhpur bench of Hon'ble High Court, Rajasthan, against such demand letters. The court has decided the cases in June 2017 , stating that company can demand the amount of Royalty short collected. In compliance of the decision of the Hon'ble High Court the company has initiated necessary action for recovery of amount of royalty in dispute. However against the order of Hon'ble High Court few customers have filed cases in Hon'ble Supereme Court. The accounting treatment would be made based on the outcome of the cases. In the mean time assessment of royalty on rockphosphate has been done by DMG upto the F.Y. 2012-13.

25.3 The Government of India vide Gazette Notification dated 17.09.2015 has notified the Mines and Minerals (Contribution to District Mineral Foundation) Rules 2015 according to which every holder of mining lease or a prospecting licence-cum- mining lease, shall in addition to the royalty, pay to the District Mineral Foundation(DMF) of the district in which the mining operations are carried on an amount equal to 10% of royalty paid in terms of the Second Schedule to the Mines and Minerals (Development and Regulation) Act 1957 for mining leases granted on or after 12th January 2015 and 30% of royalty paid in terms of the First Schedule to the Mines and Minerals (Development and Regulation) Act 1957 in respect of mining lease granted before 12th January 2015. These Rules were made effective retrospectively from 12.01.2015.

Further, the Government of Rajasthan vide its notification dated 31.05.2016 had made contribution to DMF applicable to all the minerals and the Rules deemed to have come into force on the 12th January 2015. The matter of making contribution to DMF made effective retrospectively from 12.01.2015 was under litigation with Hon'ble Delhi High Court. The company had also sought legal opinion on the matter and according to the opinion received, the company should collect and deposit the contribution of DMF w.e.f. 31.05.2016 only because the DMF has been formed only on 30.05.2016 and not on 12.01.2015. It was also opined that the collection of contribution and deposition in the DMF thereof for the period 12.01.2015 to 30.05.2016 should be kept in abeyance till the final decision of Hon'ble Delhi High Court is received.

Since the matter of making contribution to DMF was related to many states, the issue was dealt by Hon'ble Supreme court, which in its order dated 13/10/2017 has directed that the contribution is to be deposited w. e. f. 17.09.2015 in case of all the minerals of the company on which it is applicable except Lignite. In case of Lignite, contribution to DMF is applicable w. e. f. 31.05.2016 as per the above referred order of the Hon'ble Supreme court. The company has done the accounting treatment accordingly.

25.4 **National Mineral Exploration Trust**

The Central Government vide its Gazette Notification dated 14.08.2015 had notified National Mineral Exploration Trust Rules 2015. These Rules were made effective from 12.01.2015. As per the said Rules, every holder of mining lease or a prospecting licence-cum- mining lease, in addition to the royalty pay to the National Mineral Exploration Trust (NMET) a sum equal to 2% of the royalty payable for the mineral in terms of Second schedule of the Mines & minerals (Development & Regulation) Act,1957. Since these Rules were made effective retrospectively w.e.f. 12.01.2015 ,in line with the stand taken in case of making contribution in DMF as per note 25.3 above, the company was of the opinion that payability of contribution in NMET, retrospectively would not arise. Consequent upon the order dated 13/10/2017 of Hon'ble Supreme court given in respect of effective date of applicability of making contribution to DMF as dealt in note no. 25.3 above, the company on the similar lines has made the contribution to NMET w. e. f. 14.08.2015 and made the accounting adjustment accordingly.

26 OTHER CURRENT LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Liabilities	6,182.23	6,904.92
Advances from Customers & Others	3,745.39	3,524.03
Subsidiary Companies	74,503.39	74,141.95
Total	**84,431.01**	**84,570.90**

27 PROVISIONS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employees benefits		
Leave encashment (transferred from long term)	429.54	354.37
Sick Leave	123.32	111.89
Gratuity	1988.18	757.81
Provision for progressive Mine closure	1239.74	1,250.56
Total	**3,780.78**	**2,474.63**

27.1 As per the guidelines for preparation of Mine closure Plan issued by Ministry of Coal, Government of India, the company has made a provision of ₹ 1239.74 Lac related to progressive mine closure expense (Prev year ₹ 1250.56 Lac).

27.2 As per the guidelines issued for preparation and approval of Mine Closure Plan, by the Ministry of Coal, Government of India, the company has got the mine closure plan approved for Sonari and Giral mines whereas Draft mine closure plan for Matasukh mines has been prepared but the same is yet to be approved.

While preparing the Mine Closure Plans, the expenses to be incurred on various activities related to the mine closure were estimated based on the information and data available at the time of preparation of the Mine Closure Plans. However, with the passes of time and actual requirement of work, the actual expenses are expected to be in variance to the estimated expenses.

As per the system prevailing in the company, some of the activities related to mine closure are being carried out by the mining contractor as per contract conditions and major part of expenses incurred on such activities are being charged in the statement of profit and loss as contractual expenses.

Previously company was providing concurrent mine closure expenses in the statement of profit and loss as and when incurred and was creating provision/ asset for any expense incurred short/excess with respect to the estimated expenses on respective activity as considered in the approved/draft mine closure plan.

In the current financial year, considering the fact that the activity wise expenses considered in approved /draft mine closure plans are only estimations which are varying subsequently due to various reasons, the company has provided concurrent mine closure expenses actually incurred including those expenses which are being charged as contractual expenses, in the statement of profit and loss account as and when incurred and creating provisions for activity wise shortfall in the expenses to be incurred with respect to the estimated expenses as considered in the approved/draft mine closure plan and excess provision of Rs. 346.49 Lakhs made up to the financial year 2016-17 has been written back in the current financial year.

27.3 As per IND AS 19 "Employees Benefits", the disclosures of Employee benefits as defined in the IND AS is given below:

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Employer's Contribution to Provident, Pension Funds and Other Funds	1,135.51	1,083.03

27.4 The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good of deficiency, if any, incurred by the trust on account of difference in declared rate and income earned or other reasons.

27.5 **Gratuity (Funded)**

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	11,834.58	10,763.16
Fair value of Plan Assets	9,846.40	10,005.35
Funded Status- (Surplus)/Deficit	1,988.18	757.81
Liability/(Asset) recognised in the Balance Sheet	**1,988.18**	**757.81**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Current Liability	1,988.15	757.81
Non Current Liability	-	-
Liability/(Asset) recognised in the Balance Sheet	**1,988.18**	**757.81**

III Expense recognised during the year in the Statement of Profit and Loss

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	688.59	656.83
Interest Cost	711.04	718.39
Expected Return on Plan Assets	-657.62	-731.45
Total Expense/(Income) included in "Employee benefit Expense"	**742.02**	**643.76**

IV Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Amount recognised in OCI, Beginning of period	136.37	-323.32
Remesurements due to:	-	-
Effect of change in financial assumptions	-417.48	333.22
Effect of experience adjustments	1,208.40	240.40
Actuarial (Gains)/Losses	790.65	573.62
Return on plan assets (excluding interest)	97.63	113.93
Total remeasurements recognized in OCI	**693.02**	**459.70**
Amount recognized in OCI, End of Period	**829.40**	**136.38**

V Return on Plan Assets

(₹ in Lac)

Actual Return on Plan Assets	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest Income Plan Asset	657.62	731.45
Actuarial Gains/(Losses) on Plan Assets	97.63	113.93
Actual Return on Plan Assets	**755.25**	**845.38**

VI Reconcilliation of amounts in Balance Sheet

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance Sheet (Asset)/Liability	757.81	-170.15
Total Expense/(Income) recognised in P&L	742.02	643.76
Actual Employer Contribution	-204.66	-175.50
Total Remeasurements Recognised in Other Comprehensive (Income)/Loss	693.02	459.70
Closing Balance Sheet (Asset)/Liability	**1,988.18**	**757.81**

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined Benefit Obligation, Beginning of Period	10,763.16	10,182.06
Current Service Cost	688.59	656.83
Interest Cost	711.04	718.39
Actuarial (Gains)/Losses	790.65	573.62
Actual Benefits Paid	-1,118.86	-1,367.74
Defined Benefit Obligation, End of Period	**11,834.58**	**10,763.16**

VII Reconciliation of Fair Value of Plan Asset

(₹ in Lac)

Change in fair value of plan assets during the period	For the year ended 31st March 2018	For the year ended 31st March 2017
Fair Value of Plan assets, beginning of the period	10,005.35	10,352.21
Interest income on plan assets	657.62	731.45
Actual Enterprises' contribution	204.66	175.50
Actual benefits paid	-1,118.86	-1,367.74
Actuarial gains/(losses)	97.63	113.93
Fair Value of Plan assets, End of the period	**9,846.40**	**10,005.35**

(₹ in Lac)

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Weighted average duration (based on discounted cash flow)	8.41	8.56

VII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31, 2018	As at March 31, 2017
Govt. of India Securities (central and state)	0.00%	0.00%
High Quality corporate bonds (incl PSU Bonds)	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Real Estate / Propetry	0.00%	0.00%
Cash (including special deposits)	0.00%	0.00%
Other (inclding assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

VIII History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	11,834.58	10,763.16
Plan Assets	9,846.40	10,005.35
(Surplus)/Deficit	**1, 988.18**	**757.81**
Exp Adj- Plan Assets gain/(Loss)	97.63	113.93
Assumptions Gain/(loss)	-417.75	333.22
Exp Adj- Plan Liabilities Gain/(loss)	1208.40	240.40
Total Actuarial Gain/(loss)	**790.65**	**573.62**

IX Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gain)/Loss arising on DBO	790.65	573.62
Actuarial (Gain)/Loss arising on Plan Assets	-97.63	-113.93
Total (Gain)/Loss recognised during the period	**693.02**	**459.69**

X Sensitivity analysis

(₹ in Lac)

	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined benefit obligation (Base)	11834.58	10763.16

Sensitivity analysis	For the year ended 31st March 2018	
	Decrease	Increase
Discount rate	12,122.30	11,560.50
Impact of increase/ decrease of 50 bps on DBO	2.43%	-2.32%
Salary growth rate	10,688.65	12,251.54
Impact of increase/ decrease of 50 bps on DBO	-1.23%	3.52%

Sensitivity analysis	For the year ended 31st March 2017	
	Decrease	Increase
Discount rate	11,042.70	10,497.04
Impact of increase/ decrease of 50 bps on DBO	2.60%	-2.47%
Salary growth rate	10,495.67	11,041.52
Impact of increase/ decrease of 50 bps on DBO	-2.49%	2.59%

XI Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	1,900.97	1,354.88
Year 2	2,059.02	1,594.36
Year 3	1,541.11	1,742.57
Year 4	1,462.94	1,312.38
Year 5	1,377.95	1,234.96
Year 6 to 10	5,483.30	4,926.56

XII Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2018 and 31st March 2017
Elegibility	All employees
Qualifying salary	Monthly Basic
Qualifying service	Completed years of Continuous service with part thereof in excess of six months
Form of payment	Lumpsum
Retirement benefit	15/26 x Last drawn salary x Service
Withdrawal benefit	15/26 x Last drawn salary x Service
Death benefit	15/26 x Last drawn salary x Service
Vesting Period	5 years on retirement and withdrawal
Maximum Ceiling	For Executive Employees 15 months salary and for workmen 20 months salary

XIII Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1,274	1,374
Total monthly Salary (in Lac)	848.43	749.91
Average monthly Salary (in Lac)	0.67	0.55
Average age (Years)	50.14	49.99
Average Past Service (Years)	24.67	24.44

XIV Actuarial Assumptions

Actuarial Assumptions	As at March 31, 2018	As at March 31, 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	7.55%	7.05%

Demographic Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing Related Assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2018, the estimated term of liabilities is 8.41 years, corresponding to which YTM on government bonds is 7.55% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

Expected Rate of Return on Assets

It is the average long term rate of return expected on investments of the Trust Fund.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

27.5 Leave Encashment (Funded)

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Amount in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	3,358.53	3,024.64
Fair value of Plan Assets	4,248.59	3,942.88
Funded Status- (Surplus)/Deficit	-890.06	-918.24
Liability/(Asset) recognised in the Balance Sheet	**-890.06**	**-918.24**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Current/ Non Current Benefit obligation/asset	As at March 31, 2018	As at March 31, 2017
Current Liability	-	-
Non Current Liability	-890.06	-918.24
Liability/(Asset) recognised in the Balance Sheet	**-890.06**	**-918.24**

III Expense recognised during the year in the Statement of Profit and Loss

(₹in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	134.98	126.37
Interest Cost	213.24	187.04
Expected Return on Plan Assets	-277.98	-279.35
Net Actuarial Losses/(Gains)	-41.92	632.39
Total Expense/(Income) included in "Employee benefit Expense"	**28.32**	**666.45**

IV Return on Plan Assets

(₹ in Lac)

Actual Return on Plan Assets	For the year ended 31st March 2018	For the year ended 31st March 2017
Expected Return on Plan Assets	277.98	279.35
Actuarial Gains/(Losses) on Plan Assets	27.60	26.19
Actual Return on Plan Assets	**305.57**	**305.54**

V Reconcilliation of amounts in Balance Sheet

(₹ in Lac)

Reconcilliation of amounts in Balance Sheet	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening Balance Sheet (Asset)/Liability	-918.24	-819.09
Total Expense/(Income) recognised in P&L	28.32	666.45
Actual Employer Contribution	-0.14	-765.60
Closing Balance Sheet (Asset)/Liability	**-890.06**	**-918.24**

(₹ in Lac)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined Benefit Obligation, Beginning of Period	3,024.64	2,818.25
Current Service Cost	134.98	126.37
Interest Cost	213.24	187.04
Actuarial (Gains)/Losses	-14.32	658.57
Actual Benefits Paid	-	-765.60
Defined Benefit Obligation, End of Period	**3,358.53**	**3,024.63**

VI Reconciliation of Fair Value of Plan Asset

(₹ in Lac)

Change in fair value of plan assets during the period	For the year ended 31st March 2018	For the year ended 31st March 2017
Fair Value of Plan assets, beginning of the period	3,942.88	3,637.34
Interest income on plan assets	277.98	279.35
Actual Enterprises' contribution	0.14	765.60
Actual benefits paid	-	-765.60
Actuarial gains/(losses)	27.60	26.19
Fair Value of Plan assets, end of the period	**4,248.59**	**3,942.88**

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Weighted average duration (based on discounted cash flow)	8.56	8.41

VII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31, 2018	As at March 31, 2017
Govt. of India Securities (central and state)	0.00%	0.00%
High Quality corporate bonds (incl PSU Bonds)	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Real Estate / Propetry	0.00%	0.00%
Cash (including special deposits)	0.00%	0.00%
Other (inclding assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

VIII History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	3,358.53	3,024.64
Plan Assets	4,248.59	3,942.88
(Surplus)/Deficit	**-890.06**	**-918.24**
Exp Adj- Plan Assets gain/(Loss)	26.60	26.19
Assumptions Gain/(loss)	-88.92	103.62
Exp Adj- Plan Liabilities Gain/(loss)	74.60	554.95
Total Actuarial Gain/(loss)	**-14.32**	**658.57**

IX Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	As at March 31, 2018	As at March 31, 2017
Actuarial (Gain)/Loss arising on DBO	-14.32	658.57
Actuarial (Gain)/Loss arising on Plan Assets	27.60	26.19
Total (Gain)/Loss recognised during the period	**13.28**	**684.76**

X Sensitivity analysis

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined benefit obligation (Base)	3358.53	3024.64

Sensitivity analysis	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount rate	3,447.45	3,274.30	3,112.17	2,941.82
Impact of increase/ decrease of 50 bps on DBO	2.65%	-2.51%	2.89%	-2.74%
Salary growth rate	3,273.10	3,447.92	2,941.02	3,112.22
Impact of increase/ decrease of 50 bps on DBO	-2.54%	2.66%	-2.76%	2.90%

XI Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	544.48	354.37
Year 2	492.05	430.93
Year 3	447.94	401.87
Year 4	439.16	361.48
Year 5	335.73	365.32
Year 6 to 10	1,573.99	1,406.11

XII Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2018 and 31st March 2017
Elegibility	All employees
Qualifying salary	Monthly Basic
Form of payment	Lumpsum
Retirement benefit	Last drawn salary/30 * Leave Balance
Withdrawal benefit	Last drawn salary/30 * Leave Balance
Death benefit	Last drawn salary/30 * Leave Balance
Vesting Period	Nil
Maximum Accumulation	300 days
Yearly Entitlement	30 days

XIII Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1274	1374
Total monthly Salary (In Lac)	848.43	749.91
Average age (Years)	50.14	49.99
Average Past Service (Years)	24.67	24.44
Total Leave Balance (Days)	140637	151082
Average Leave Balance	110.39	109.96

XIV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	7.05%	7.05%

Demographic assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing Related Assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2018 / 31 March 2017 the estimated term of liabilities is 8.41 years / 8.56 years, corresponding to which YTM on government bonds is 7.55%/ 7.05% after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments

made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

27.6 **Sick Leave(unfunded)**

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Amount in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	607.20	565.84
Funded Status- (Surplus)/Deficit	607.20	565.84
Liability/(Asset) recognised in the Balance Sheet	**607.20**	**565.84**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Current/ Non Current Benefit obligation/asset	As at March 31, 2018	As at March 31, 2017
Current Liability	123.32	111.89
Non Current Liability	483.88	453.94
Liability/(Asset) recognised in the Balance Sheet	**607.20**	**565.83**

III Expense recognised during the year

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	26.59	25.18
Interest Cost	39.89	40.90
Net Actuarial Losses/(Gains)	-25.11	-32.74
Total Expense/(Income) included in "Employee benefit Expense"	**41.37**	**33.34**

IV Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lac)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening Balance Sheet (Asset)/Liability	565.84	532.50
Total Expense/(Income) recognised in P&L	41.37	33.34
Closing Balance Sheet (Asset)/Liability	**607.20**	**565.84**

V Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gain)/Loss arising on DBO	-25.11	-32.74
Total (Gain)/Loss recognised during the period	-25.11	-32.74

(₹ in Lac)

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Decrement adjusted estimated tenure of Actuarial Liability (years)	8.41	8.56

VI History of DBO, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	607.20	565.84
(Surplus)/Deficit	607.20	565.84
Assumptions Gain/(loss)	-10.87	62.80
Exp Adj- Plan Liabilities Gain/(loss)	-14.24	-95.54
Total Actuarial Gain/(loss)	**-25.11**	**-32.74**

VII Sensitivity analysis

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation (Base)	607.20	565.84

Sensitivity analysis	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount rate	618.13	596.58	576.26	555.80
Impact of increase/ decrease of 50 bps on DBO	1.80%	-1.75%	1.84%	-1.77%
Salary growth rate	596.73	618.07	555.70	576.27
Impact of increase/ decrease of 50 bps on DBO	-1.72%	1.79%	-1.79%	1.84%

VIII Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	123.32	111.89
Year 2	105.70	97.74
Year 3	90.49	83.07
Year 4	75.84	70.44
Year 5	64.69	58.88
Year 6 to 10	181.15	242.39

IX Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2018 and 31st March 2017
Elegibility	All eligible employees
Qualifying salary	Monthly CTC
Availment formula	Last drawn salary/30 * Leave Balance
Retirement benefit	Nil
Withdrawal benefit	Nil
Death benefit	Nil
Vesting period	Nil
Maximum Accumulation	180 days
Yearly Entitlement	10 days

As per the leave policy of the Company, encashment of sick leave is not permitted:

X Data used for Actuarial Valuation

(₹ in Lac)

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1,274	1,374
Total monthly Cost-to-Company (in Lac)	848.43	749.91
Average Age (years)	50.14	50.04
Average past service (Years)	24.67	24.51
Total Leave Balance (Days)	79,154	84,987
Average Leave Balance (Days)	62.13	61.85

XI Actuarial Assumptions

(₹ in Lac)

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	0.00%	0.00%

Demographic assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Availment Percentage	7.00%	7.00%
Retirement age	60 years	60 years

Timing Related Assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below:

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 / 31 March, 2016 the estimated term of liabilities is 8.41 / 8.56 years, corresponding to which YTM on government bonds is 7.55% / 7.05% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

28 REVENUE FROM OPERATIONS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Sale of -		
High Grade Rock Phosphate	25,087.17	24,227.20
Beneficiated Rock Phosphate	7,722.53	9,928.78
Rajphos	859.95	933.14
Gypsum	5,261.10	6,442.64
Selenite	10.87	101.81
Lignite	19,019.12	9,576.14
Limestone	20,414.29	14,820.17
Wind Power	4,313.96	4,646.55
Solar Power	264.21	258.25
Other operating revenue		
Sale of Carbon/Voluntary Emission Reduction (CER/VERs)*	205.71	4.28
Sale of REC	2.79	40.01
Total	**83,161.70**	**70,978.97**

28.1 The selling prices of Rock phosphate and Cement grade Limestone and Gypsum are inclusive of Environment and Health Cess on mineral rights imposed by the State Government . The amount of cess whether included in selling prices or recovered separately is being treated a part of turnover of Company. An expenditure amounting to Nil (Prev. Year ₹ 5,287.94 Lakhs) on this account has been shown under the head MR cess in mining and other operating expenses.

28.2 The Government of Rajasthan vide notifiaction dated 06.01.2017 has rescind their earlier notification dated 06.03.2013 with immediate effect in respect of levy of MR cess on various minerals at the rates priscribed in the said notification dated 06.03.2013.

28.3 Lignite & Limestone was being supplied to Rajasthan Vidyut Utpadan Nigam Limited (RVUNL) as per the Fuel Supply Agreement (FSA) entered with party. The FSA was due for renewal w.e.f. 20

February, 2012. Pending renewal of FSA, revenue on this account have been accounted for on the basis of prevailing rate as per existing FSA.

28.4 Lignite from Sonari pit is being supplied to RVUNL from November 2012. Issue for inclusion of Sonari pit in FSA & fixing of price is under consideration with RVUNL. As such, supply of lignite from Sonari pit have been accounted for on the basis of minutes of meeting held on 01/10/2014 between Company and RVUNL.

Necessary adjustments, if any, would be carried out on finalizing of FSA with RVUNL.

Due to shut down of power plants situated at Giral ,RVUNL has not lifted any quantity of Lignite from Sonari and Giral Mines of the Company during the year 2017-18.

28.5 The Company is getting CERs from its wind mill projects and other projects registered with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM) category which are tradable in the international market. The Company would be receiving CERs on regular basis from its existing registered projects . Similarly the Company has also started getting Voluntary Emission Reduction (VERs) .

28.6 Renewable Energy Certificate (REC) mechanism is a market based instrument to promote the renewable energy and facilitate compliance of renewable purchase obligations (RPO). There are two categories of RECs viz solar REC & Non solar REC. The company has installed 5 MW solar power plant in Bikaner district and signed the PPA with DISCOM for sale of solar power under REC mechanism. Therefore, solar REC's are issued against the sale of power from the above plant. After fulfilling the eligibility requirement & the procedure for issuance of REC, the central agency i.e. NLDC issues the REC which are traded in the energy exchange.

29 OTHER INCOME

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest income	5,853.83	6,125.75
Dividend Income	0.10	0.10
Other non operating revenue		
Sundry Credit Balances written back	30.51	55.54
Lease Rent on Railway rakes	-	9.36
Profit on sale of Obsolete and other PPE	0.17	13.25
Miscellaneous income	2,491.29	1,129.84
Liability no longer required*	349.85	2,205.76
Total	**8,725.75**	**9,539.60**

29.1 * Includes Provision for mine closure ₹ 346.49 Lakhs (Prev year Nil) (Refer note 27.1) and reversal of Dead rent of Gypsum of Nil (Prev year ₹ 2,157.52 Lakhs) due to downward revision of rates of dead rent vide notification no.F.14(9)Mines/Gr.II/2015-Pt.II dated 20/06/2017 of GoR ,Mines (Gr.II) Department.

29.2 The company has leased out its 181 numbers of Box N wagons to Railways for a period of 20 years, purchased by it in the year 1996-97 under "Own Your Wagon Scheme" through two separate agreements, out of which one agreement has expired in July, 16 and another one in September, 16. After expiry of the agreements, the company has requested railways for extension of the agreements for next 10 years. The request of the company is under active consideration of the Railway Authorities and once the acceptance is received, new agreements would be signed with Railways.

29.3 **Compensation**

Wind power Phase V

M/S RRB Energy Limited was awarded the work of installation, Operating & maintaining the Phase V of wind power form for the company in Jaisalmer (Rajasthan), having generation capacity of 15 MW. As per the terms of contract, compensation at the rates prescribed is recoverable for the shortfall in generation of power in the respective block periods as prescribed in the contract, based on Power Curved based Guaranteed Generation (PCGG) committed by the M/s RRB Energy Limited. Accordingly, a sum of ₹ 3,39,80,871/- is estimated to be recovered from the contractor based on the performance during the third block period from Jan 2013 to Dec 2016.

However, the contractor is disputing levy of compensation and claiming that there is no shortfall in the generation as per the terms of contract and as such no compensation is payable. As the matter is not settled, pending which the compensation amounting to ₹ 339.81 Lakhs has not been booked as revenue of the company for the year 2017-18.

Solar power

M/S Rays Power Experts Pvt. Ltd., was awarded the work of installation, Operating & maintaining the 5 MW Solar power plant for the company in Gajner, Bikaner (Rajasthan). As per the terms of contract, compensation at the rates prescribed is recoverable for the shortfall in generation of power in the respective block periods as prescribed in the contract, based on Net Minimum Guaranteed Generation (NMGG) committed by M/S Rays Power Experts Pvt. Ltd. Accordingly, a sum of ₹ 258.34 Lakh is estimated to be recovered from the contractor based on the performance during the First block period from Jan 2015 to Dec 2016.

However, the contractor is disputing levy of compensation by the company and claiming that there is no shortfall in the generation as per the terms of contract and as such no compensation is payable. As the matter is not settled pending which the compensation amounting to ₹ 258.34 Lakhs has not been booked as revenue of the company for the year 2017-18.

30 PURCHASE OF ORE

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Purchases	269.92	562.04
Total	**269.92**	**562.04**

31 CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Closing Stock		
Rock Phosphate	25,452.14	22,825.26
Beneficiated Rock Phosphate	4,708.09	5,149.74
Rajphos	188.95	214.41
Gypsum	24.65	199.09
Limestone	249.32	582.46
Bio Diesel and by products	1.90	1.90
	30,625.04	**28,972.86**
Opening Stock		
Rock Phosphate	22,825.26	20,161.02
Beneficiated Rock Phosphate	5,149.74	5,992.68
Rajphos	214.41	205.49
Gypsum	199.09	264.44
Limestone	582.46	920.61
Bio Diesel and by products	1.90	1.90
	28,972.86	**27,546.14**
(Increase)/Decrease	**-1,652.18**	**-1,426.73**

32 EMPLOYEE BENEFIT EXPENSES

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries & Wages	11,670.55	9,746.69
Contribution to Provident/Pension & Other Funds	2,114.05	1,823.68
Leave Encashment	1,262.25	947.82
Bonus/Additional Remuneration	107.38	117.55
Employees' Welfare	1,124.83	1,192.61
Employees' Social Security	1.44	2.39
Total	**16,280.50**	**13,830.73**

33 FINANCE COSTS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest expense (others including bank)	508.53	670.06
Guarantee Commission	10.24	1.98
Decommisiong liabiilty on mine closure expenditure	128.44	122.32
Total	**647.21**	**794.36**

34 OTHER EXPENSES

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Mining and other operating expenses		
Stores consumed*	4,080.70	3,893.71
Payment to Contractors :		
For Removal of Overburden	8,196.29	4,114.99
For Raising, Transportation & Others	15,548.11	14,865.62
For Progressive mine closure	1,517.41	1,914.41
Freight Charges	29.68	5.70
Dewatering of Mines	49.40	4.13
Crushing Plant Expenses	16.44	15.50
Power Charges	1,973.99	1,743.35
Survey & Prospecting Charges	0.02	57.64
Royalty & Dead Rent	9,322.35	8,750.77
Contribution to National Mineral Exploration Trust	464.89	247.40
Contribution to District Mineral Foundation	3,390.59	1,419.25
MR Cess	-	5,287.94
Progrehesive Mine closure expenditure (refer note 27.1)	335.67	488.45
Repairs to Buildings	41.03	50.74
Repairs to Machinery	1,218.06	1,805.84
Repairs to Plant	237.54	285.92
Repairs to Road	15.45	12.92
Research & Development	24.69	15.06
Sampling & Analysis	67.41	50.69
Compensation for Mineral	323.58	569.04
Afforestation Plantation & Environment	54.39	58.86
Corporate Social Resposibilty	190.18	360.21
Laboratory Expenses	4.89	14.83
Selling Expenses including commission	148.47	64.94

Packing Charges	114.11	137.93
Mines safety & Insurance expenses	2.45	-
Cash Discounts/Rebate on Sales	4.14	-
Business Promotion Expenses	66.72	25.90
Establishment expenses		
Repairs to Others	92.05	93.70
Rent including Plot Rent	13.94	123.19
Rates & Taxes	287.36	390.82
Secuity service expenses	569.19	653.25
Insurance	32.16	30.69
Travelling & Conveyance	526.21	508.27
Vehicle Up-keep	172.92	181.05
Payment to Auditors:		
Audit Fees	6.50	6.90
Tax Audit Fees	1.50	1.73
For reimbursement of expenditure	4.15	4.62
General Charges	68.83	59.39
Postage, Telephone & Telegraphs	61.24	68.62
Printing & Stationery	37.28	36.47
Electricity & Water	82.29	73.19
Seminar, Training & Exhibition	2.17	1.30
Legal & Professional Charges	114.63	83.22
Advertisement & Publication	100.17	84.17
Bank Charges	5.22	1.32
Subscription	7.77	3.57
Entertainment	12.79	7.07
Board Meeting Expenses	0.33	0.68
Sundry debit balance written off	0.07	3.11
Provision for doubtful Debts	2.75	5.85
Consultancy Charges	54.17	63.75
Claims & Settlements	-	1.87
Computer Maintenance & Software Exp.	42.57	36.84
Obsolete and Other PPE written off	11.96	0.62
Impaired/Obsoletion loss on PPE	1.59	2.95
Obsoletion loss on Spares	-	33.63
Loss on sale/transfer of Obsolete and Other Fixed Assets	-	0.35
Excise duty	77.23	198.81
Import Energy Cess -Solar	3.98	11.54
Amortization of minning closure expense	77.66	77.66
Total	**49,909.30**	**49,111.94**

34.1 Land tax was being provided for on the basis of demand notices received from various assessing authorities. However, where the demand notices were not received, the liabilities were being provided as per the Company's own assessment. The Company had filed petition challenging the land tax assessment orders issued by assessing authorities of various lands for different financial years with appellate authorities and Rajasthan Tax Board. Some of the appeals filed by the Company have been referred back to assessing authorities for reconsideration of the assessments done or otherwise by appellate authorities . Though the assessing authorities had reassessed the demand in most of the cases and accordingly adjustments were made as per the revised assessment of land tax, the accounting adjustment for remaining assessments will be made on final outcome of other appeals/applications. The rate of land tax has been made zero w.e.f. 01.04.2013.

34.2 Revenue expenditure on Research & Development is charged to Statement of Profit & Loss in the year in which it is incurred. There is no capital expenditure incurred on Research & Development during the year.

34.3 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the company. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was ₹ 347.44 Lakhs. Revenue expenditure charged to Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 190.18 Lakhs. No Capital expenditure was incurred during the year in construction of capital assets under CSR projects.

34.4 * Stores consumed does not include consumption of Stores & spares of ₹ 577.16 Lakhs charged under various heads (Prev. Year ₹ 882.67 Lakhs).

35 FINANCIAL RISK MANAGEMENT

35.1 Financial risk factors

- The Company's principal financial liabilities comprise of trade and other payables, advance from subsidiary companies, security deposits, retention moneys and other such payables. The Company has not taken any loans or borrowings from any bank or financial instituitions. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.
- The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

  The Company's activities expose it to a variety of financial risks:

a. Market risk

- Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.
- Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.
- There are no currency rate risk or interest rate risks on the Company since all the transactions are done in the functional currency (INR) and the Company has not taken any loans or borrowings from the market.

b. Credit risk

- Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
- The Company makes major of its sales, either on an advance basis or against a security in the nature of Letter of Credit or Bank Guarantee, and hence the credit risk is minimal. Financial Instruments like trade receivables and loans forwarded to employees are subject to slight credit risk against which the Company has booked Expected Credit Losses.

c. Liquidity risk

- Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- Being a cash rich company, it does not have any acute liquidity risk and has no lines of credit in the forms of loans payable.

Market Risk

Commodity price risk and sensitivity

Being a mining Company, the commodity risk of the Company is bare minimum since there are no raw materials. In case of some commodities sold by the Company, there is a price risk for which no specific arrangements have been made by the Company.

Credit risk

- The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

The Company extends secured credit to customers of Rock Phosphate in normal course of business of 120 days. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken Bank guarantees and letter of credit from its customers, which mitigate the credit risk to almost full extent. The Company extends unsecured credit to SAIL, a Government of India enterprise which purchases SMS Grade Limestone. It also sales Power to electricity compnies of Government of Rajasthan on unsecured credit.

The ageing of trade receivables as on 31st March 2018 is as below:

(₹ in Lac)

Particulars	Due upto 36 Months	Due for more than 36 Months	Total
Good	11576.52		11576.52
Doubtful		698.42	698.42
Others			
Gross			
Expected Credit Losses		**-698.42**	**-698.42**

The ageing of trade receivables as on 31st March 2017 is as below:

(₹ in Lac)

Particulars	Due upto 36 Months	Due for more than 36 Months	Total
Good	15197.34		15197.34
Doubtful		695.67	695.67
Others			
Gross			
Expected Credit Losses		**-695.67**	**-695.67**

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ₹ 698.42 Lakhs has been booked as expected credit losses till 31st March 2018.

Expected Credit Losses

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ₹ 695.67 Lakhs has been booked as expected credit losses till 31st March 2017.

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations. The rest amount is deposited in the PD account, with the government, which can be withdrawn as and when required and on which interest, as fixed by government, is being received. This PD account is a risk free deposit.

Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements. There are no borrowings by the Company, whether short term or long term. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs and the excess funds are transferred to the PD account as per guidelines of Government of Rajasthan.

Since it a cash rich Company, the liquidity risk faced by the Company is very minute.

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and also owing to government regulations, because it enjoys monopoly in mining of Rock Phosphate which is the main source of revenue, in the state of Rajasthan, for the Company.

36 CAPITAL RISK MANAGEMENT

Objective

The primary objective of the Company's capital management is to maximize the shareholder value. i.e. to provide maximum returns to the State government which is a major shareholder. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns to the Government. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

Policy

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the rules and regulations framed by the Government under whose control the Company operates.

Process

The Company is declaring a dividend of 50% for the past few years.

37 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's Standalone financial instruments that are recognised in the financial statements.

(₹ in Lac)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at fair value through profit and loss				
Investment in Employees Leave Encashment Scheme from LIC	4,248.59	4,248.59	3,942.87	3,942.87
Financial assets designated at fair value through other comprehensive income				
Investments in Equity Instruments	154.41	154.41	183.37	183.37
Financial assets designated at amortised cost				
Loans given to employees	808.43	808.43	933.18	933.18
Cash and Bank balances	116,241.90	116,241.90	104,609.31	104,609.31
Trade and Other receivables	11,576.52	11,576.52	15,197.34	15,197.34
Other Financial Assets (Including investment in associate, jv and subsidiary)	10,497.55	10,497.55	5,553.73	5,553.73

(₹ in Lac)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial liabilities designated at fair value through profit and loss	Nil	Nil	Nil	Nil
Financial liabilities designated at amortised cost				
Trade and Other Payables	4,574.73	4,574.73	5,450.06	5,450.06
Other Financial Liabilities	14,875.48	14,875.48	11,820.53	11,820.53

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

a. Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b. Interst free security deposits accepted by the Company have been carried at their amortised cost as their discounting will not represent the meaningful and fair information and the contractual term for which they are received is not substantially long.

c. The Company can only invest its excess fund in its PD account. So, the principal market for the Company is its PD account. The rate of interest on PD account is cosnidered as the Company market rate of interest which is 3.85%.

d. Loans to Employees have been given at above market rate of interest, i.e. 3.85%. Hence, the fair value of such loans is equal to the amount of loans given.

e. IND AS 101 allows the Company to fair value its Property, Plant and Equipment. However, on transition to IND AS, the Company has opted for the exemption of deemed cost where the assets are carried forward at their existing carrying amounts as per Indian GAAP.

f. IND AS 101 allows the Company to fair value its investment in subsidiary, associates and joint ventures. However, on transition to IND AS, the Company has opted for the exemption where the investments have been carried forward at their existing carrying amounts as per Indian GAAP.

g. The investments in equity shares (apart from Subsidiaries, JVs and Associates) made by the Company have been recorded at their fair value using the market price of the share and where market price was not available, using the Net Asset method to value the shares.

38 FAIR VALUE HEIRARCHY

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

a. Quoted prices/published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.

b. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, interest free security deposits) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

c. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value of Financial Assets and Financial Liabilities accounted for in the Standalone Financial Statements as on the reporting date of the entity

(₹ in Lac)

	As at 31st March 2018		
	Level 1	Level 2	Level 3
Financial Assets			
Investments in Equity Instruments	-	-	154.41
Financial Liabilities			

	As at 31st March 2017		
	Level 1	Level 2	Level 3
Financial Assets			
Investments in Equity Instruments	-	-	188.37
Financial Liabilities			

During the year ended March 31, 2018 and March 31, 2017, there were no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2018 and March 31, 2017, respectively:

Particulars	Fair Value Heirarchy	Valuation Technique	Inputs Used
Financial Assets			
Investments in Equity Shares	Level 3	Net Asset Method	Financial Statements as on the reporting date of the investee entity

39 EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(₹ in Lac)

Particulars	Ostwal Phoschem (India) Limited	Mayur Inorganics Ltd.
Fair Value as on 31st March 2017	173.85	9.52
Change in Fair Value recognised in OCI statement	-29.55	0.60
Fair Value as on 31st March 2018	**144.29**	**10.12**

The Company has chosen to measure investments in Ostwal Phoschem (India) Ltd. and Mayur Inorganics Ltd. at Fair Value through Other Comprehensive Income for better presentation and disclosure of change in carrying amount due to fair valuation.

The Company has received ₹ 0.10 Lakhs dividend in financial year 2016-17 & 2017-18 respectivley from Mayur Inorganice Limited which has been credited to Statement of Profit and Loss.

The Company has fair valued its investment in Ostwal Phoschem (India) Limited and Mayur Inorganics

Limited on the basis of net asset value of the Company. Net asstes value of the shares has been derived on the basis of financial statement of companies on the reporting date.

40 SEGMENT INFORMATION

(i) **Factors used to identify segments**

The company is primarily engaged in mining activates. Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Chief Operating Officer of the Company time to time for making financial and operating decisions.

(ii) **Following business segments have been identified by the management**

- Rock Phosphate : This segment comprise of revenue derived from mining of rock phosphate
- Limestone :This segment comprise of revenue derived from mining of Limestone
- Lignite :This segment comprise of revenue derived from mining of lignite
- Gypsum :This segment comprise of revenue derived from mining of gypsum
- Wind Power plant : This segment comprise of revenue derived from power generation through Wind Power Plant
- Solar Power Plant : This segment comprise of revenue derived from power generation through Solar power plant

(iii) **Basis of segment measurement:**

The measurement principles for segment reporting are based on IND AS 108. Segment's performance is evaluated based on segment revenue and profit and loss from operating activities.

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Income tax expense and income earned are not allocated to individual segment and the same has been reflected at the Group level for segment reporting.

The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, Property, Plant and Equipment, inventories, operating cash and bank balances.

Segment liabilities comprise operating liabilities and exclude provision for taxes and deferred tax liabilities.

Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

(iv) Segment reporting as at 31st march 2017

(₹ in Lac)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Captive power plant	Others/ unal located	Elimination	Total
Revenue from external customers	35,089.12	14,820.17	9,377.33	6,544.44	4,646.55	258.25	0.00	44.29	0.00	70,978.96
Revenue from transactions with other operating segments of the enity					465.96				-465.96	
Other revenues	459.52	442.81	952.19	2,314.59	421.55	40.01	0.00	4,908.94	0.00	9,539.60
Total revenue	**35,548.64**	**15,262.98**	**10,329.52**	**8,859.03**	**5,534.06**	**298.26**	**0.00**	**4,953.23**	**-465.96**	**80,518.57**
Segment expenses	29,711.30	13,553.18	11,825.78	4,843.53	3,250.44	297.30	0.00	3,159.96	-465.96	66,641.49
Segment profit and loss before tax and exceptional item	**5,837.34**	**1,709.80**	**-1,496.26**	**4,015.50**	**2,283.62**	**0.96**	**0.00**	**1,793.27**	**0.00**	**13,877.08**
Other segment items							-			
Segment assets	**38,286.15**	**23,010.11**	**124,215.60**	**3,797.62**	**18,879.87**	**2,035.87**	**0.00**	**107,961.36**	**0.00**	**318,186.59**
Segment liabilities	**6,793.18**	**5,397.99**	**10,167.53**	**3,442.43**	**906.82**	**0.00**	**0.00**	**86,363.62**	**0.00**	**113,071.56**

(v) Segment reporting as at 31st march 2018

(₹ in Lac)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Captive power plant	Others/ unal located	Elimination	Total
Revenue from external customers	33,669.64	20,414.29	18,941.90	5,271.97	4,313.96	264.21	0.00	0.00	0.00	**82,875.97**
Revenue from transactions with other operating segments of the enity	-	-	-	-	419.27	-	-	-	-419.27	0.00
Other revenues	515.97	556.45	917.06	142.31	1,833.97	2.79	0.00	0.00	0.00	3,968.55
Total revenue	**34,185.61**	**20,970.74**	**19,858.96**	**5,414.28**	**6,567.20**	**267.00**	**0.00**	**0.00**	**-419.27**	**86,844.53**
Segment expenses	30,335.69	17,669.84	9,288.37	4,417.36	3,057.50	259.00	0.00	3.78	-419.27	**64,612.26**
Segment profit and loss before tax and exceptional item	3,849.92	3,300.90	10,570.59	996.93	3,509.69	8.01	0.00	-3.78	0.00	**22,232.26**
Other segment items										
Segment assets	**45,225.64**	**24,533.13**	**122,578.97**	**4,265.37**	**15,051.96**	**2,057.00**	**0.00**	**28.51**	**129,776.13**	**343,516.71**
Investment in associate and joint ventures										
Additions to										
· PPE										
Segment liabilities	**7,143.65**	**4,915.25**	**13,184.09**	**3,127.32**	**906.82**	**0.00**	**0.00**	**37.88**	**98,122.81**	**127,437.81**

(vi) **Information about geographical areas**

The Company is not engaged in any export of minerals extracted. Thus, Company has no business outside the geographical limits of India.

Due to this, the complete customer base of the Company is in India and the Company does not own any assets or owe any liabilities outside India.

(vi) **Reconciliations**

Total assets with segment asset

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Segment assets	213,740.58	210,225.22
Unallocated assets	129,776.13	107,961.36
Total assets	**343,516.71**	**318,186.59**

Total liability with segment liability

(₹ in Lac)

	As at March 31, 2018	As at March 31, 2017
Segment liabilities	29,315.00	26,707.94
Unallocated liabilites	98,122.81	86,363.62
Total liabilities	**127,437.81**	**113,071.56**

41 INCOME TAX EXPENSE

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Tax	7,100.00	4,678.00
Deferred Tax		
--- Relating to origination & reversal of temporary differences	-967.20	-1,052.43
Adjustments in respect of income tax of previous year		
---Current tax	-181.84	-875.09
Total tax expense	**5,950.96**	**2,750.48**

Effective Tax Reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Net Income before taxes	**23050.59**	**13433.73**
Applicable Tax Rate	34.608%	34.608%
Computed Tax Expense	**7,977.35**	**4,649.16**
Increase/decrease in taxes on account of :		
Non deductible expenses	507.67	390.93
Items considered for tax separately	1,644.48	1,700.00
Income not taxable	-0.06	-25.47
Expenses allowed under Income Tax	-1,408.24	-921.56
Other Deductions on which tax benefit is available	-1,637.16	-1,115.07
Other Provisions	11.70	0.00
Computed Income Tax Expense	**7,095.74**	**4,678.00**
Income Tax Expense Reported	7,095.74	4,678.00

Deferred Tax Assets (Liabilities)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Deferred Tax Asset		
Provision for doubtful debts	244.06	240.76
Provision for dountful claims and advances	98.87	97.76
Provision for Gratuity	264.81	262.26
Provision for leave encashment	1385.79	1242.59
Survey and Prospecting Charges	0.57	0.92
Others	29.22	28.94
Provision for bonus	39.20	1.41
Deferred Tax Liability		
Property, Plant and Equipment	4109.36	4879.12
Fair Valuation of Investments	48.37	57.92
Net Deferred Tax Asset(Liability)	**-2095.21**	**-3062.40**

Tax Component in OCI

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Income Tax on Actuarial Gain (loss)	249.86	159.09

42 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(in Number)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Issued number equity shares	77,551,500	77,551,500
Potential Equity Shares	-	-
Weighted average shares outstanding - Basic and Diluted	77,551,500	77,551,500

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit and loss after tax (Rs. in lakhs)	**16,377.66**	**10,683.25**
Profit and loss after tax for EPS (Rs. in lakhs)	16,377.66	10,683.25
Basic Earnings per share (in Rs.)	21.12	13.78
Diluted Earnings per share (in Rs.)	21.12	13.78
Profit and loss before change in accounting policy (Rs. in lakhs)	**16,377.66**	**10,184.89**
Basic Earnings per share (in Rs.)	21.12	13.13
Diluted Earnings per share (in Rs.)	21.12	13.13
Change in Basic and Diluted EPS due to change in accounting policy (in Rs.)	-	-0.64

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

43 PROVISIONS

Movement in each class of provision during the financial year are provided below:

(₹ in Lac)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31st March 2017	**3,024.64**	**565.84**	**757.81**	**2568.82**	**1250.56**
Current Service Cost	134.98	26.59	688.59	-	-
Interest Cost	213.24	39.89	711.04	-	-
Actuarial Gain/Loss	-14.32	-25.11	-	-	-
Remeasurement in OCI	-	-	693.02	-	-
Actual Benefits Paid	-	-	-204.66	-	-
Expected Return on plan assets	-	-	-657.62	-	-
Interest on Decommissioning Liability	-	-	-	128.44	-
Net Increase / (Decrease) in progressive mine closure liability	-	-	-	-	-10.82
As at 31st March 2018	**3358.53**	**607.20**	**1988.18**	**2697.26**	**1239.74**

(₹ in Lac)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31st March 2017					
Current	354.37	111.89	757.81	-	1,250.56
Non Current	2,670.27	453.95	-	2,568.82	-
Total	**3,024.64**	**565.84**	**757.81**	**2,568.82**	**1,250.56**
As at 31st March 2018					
Current	429.54	123.32	1,988.18	-	1,239.74
Non Current	2,928.99	483.88	-	2,697.26	-
Total	**3,358.53**	**607.20**	**1,988.18**	**2,697.26**	**1,239.74**

44 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per Ind AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening reserves.

(₹ in Lac)

Particulars	Amount
Prior Period adjustment	
Liabilities no longer required	12.31
Total Impact on profit/reserve	**12.31**
Increase in EPS (in Rs)	**0.02**

45 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

(i) Related party name and relationship

S.No.	Name	Designation	From	Upto
1	Om Prakash Meena	Chairman	01/04/2017	30/06/2017
2	Ashok Jain	Chairman	12/07/2017	31/12/2017
3	Nihal Chand Goel	Chairman	14/03/2018	31/03/2018
4	Devi Shankar Maru	Director	01/04/2017	31/03/2018
5	Harihar Vishnushankar Paliwal	Independent Director	01/04/2017	31/03/2018
6	Prem Prakesh Pareek	Independent Director	01/04/2017	31/03/2018
7	Bhanu Prakash Yeturu	Managing Director	01/04/2017	31/03/2018
8	Prem Singh Mehra	Director	01/04/2017	04/07/2017
9	Aparna Arora	Director	01/04/2017	31/03/2018
10	Umesh Kumar	Director	01/04/2017	16/05/2017
11	Rajeev Swarup	Director	28/06/2017	31/03/2018
12	Devendra Bhushan Gupta	Director	07/09/2017	31/03/2018
13	Bhupesh Mathur	Chief Financial Officer	01/04/2017	31/03/2018
14	Rajendr Rao	Company Secretary	01/04/2017	31/03/2018

b Entities where control exist – Subsidiaries and indirect subsidiaries

S.No.	Name of the entity in the group	% Shareholding / Voting Power	
		As at March 31, 2018	As at March 31, 2017
	Direct subsidiaries		
1	Barmer Lignite Mining Company Limited	51%	51%
2	Rajasthan State Petroleum Corporation Limited	100%	100%
	Indirect Joint ventures		
1	Rajasthan State Gas Limited	50%	50%

c Other related parties

S.No.	Name	Relation
1	The trustee of providendt fund of RSMM Ltd	Employee benefit funds
2	Trustee gratuity (with LIC)	Employee benefit funds
3	RSMML Retired Employee Medical Relief fund	Employee benefit funds

(ii) Related party transactions

(₹ in Lac)

S.No.	Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
1	**Short term employee benefits**		
	Managing Director	21.34	15.25
	Chief financial officer	19.54	16.77
	Company Secretary	15.30	13.23

S.No.	Transaction type	% Shareholding / Voting Power	
		For the year ended 31st March 2018	For the year ended 31st March 2017
1	Expenses incurred (BLMCL)	77.61	72.92
2	Interest paid/payable (BLMCL)	439.05	508.47
3	Expenses incurred (RSPCL)	90.45	9.14
4	Received towards reimbursement of expenditure (RSPCL)	-107.56	-64.80
5	Advance received/(paid) to RSPCL for investment in RSGL	-997.50	997.50

46 CONTINGENT LIABILITIES NOT PROVIDED FOR

(in Lac)

S.No.	Particulars	As at 31st March 2018	As at 31st March 2017
i.	Claims against Company not acknowledged as debt	54067.40	60939.62
ii.	**Disputed Income tax liability pending:**		
	(a) Company in appeals	1755.83	7874.71
	(b) IT Department in appeals (As per information available with Company)	890.47	6981.49
iii.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	3708.18	290.78
iv.	Claims of workmen pending adjudication and of those who have taken Voluntary Retirement amount unascertainable.		
v.	Additional Liabilities, if any, in respect of pending Sales Tax, Income Tax, Service Tax, Land Tax, Land & Building Tax, House Tax, Royalty, M. R. Cess, Development Charges, Dead Rent, Surface Rent and Rent of Office Building and diverion of Forest Area and other claims whatsoever and interest on such liabilities and on the various claims of the contractors ,incremental liability if any of pay and allowances of employees who opted for Vth & VIth pay commission etc. is unascertainable.		
vi.	Guarantee given by Company to RIICO/RFC in respect of debt and interest thereon recoverable from Rajasthan Granite and Marble Ltd. (Since Liquidated) amount unascertainable.		
vii.	Amount relating to environmental liabilities are unascertainable.		
viii	Liabilities on account of Rider Agreements with contractor in which amounts are unascertainable.		
ix	Liability for the claims on account of other court cases filed against Company in which claim amount cannot be ascertained is not included in the above. Besides interest on the amount claimed by various parties who have filed court cases against the Company, is not included as the same is not ascertainable .		

47 CAPITAL COMMITMENT

(₹ in Lac)

S.No.	Particulars	As at 31st March 2018	As at 31st March 2017
i.	Estimated amount of contracts remaining to be executed on Capital Account	72.58	236.12

47.1 As per the approved Mine Closure plan, prepared in accordance with the Ministry of Coal, GoI, in respect of Sonari & Giral lignite mines the company is required to deposit total sum of ₹ 26,952.75 Lakhs during the period 2014-15 to 2042-43 and ₹ 44710.55 Lakhs during the period 2014-15 to 2031-32 resectively in the escrow account with schedule bank. Similarly as per draft plan prepared for Kasnau & Matasukh the company is required to deposit total sum of ₹ 14296.48 Lakhs during the period of 24 years of mines. Upto the financial year 2017-18, the company has deposited a sum of ₹ 5468.60 Lakhs (Prev year 3,941.60 Lakhs) in the escrow account, opened for Sonari and Giral mines.

48 The Government of Rajasthan vide its notification dated 23/01/2009, had enhanced the rate of M. R. Cess on Rock phosphate from ₹ 35/- PMT to ₹ 500/-PMT with effect from 01.04.2008. Since the rate of M. R. Cess was enhanced retrospectively the Company has issued demand letters to its customers of Rock phosphate for payment of differential amount of M. R. Cess for the year 2008-09. Against such demand letters some of the customers have filed cases in Jodhpur and Jaipur benches of Hon'ble High Court, Rajasthan. The cases have been decided by the respective High Courts in their favour, against which the Govt. of Rajasthan, being an aggrieved party in the cases, has filed appeal with Honble' supreme Court which has also been dismissed. Consequently company has requested State Government to refund back the amount of ₹ 4,626.90 Lakhs (Prev ₹ 4,626.90 Lakhs) paid by it being differential amount of MR Cess . The amount is yet to be received from the state Government. The necessary accounting adjustments would be made on receipt of the amount from Government of Rajasthan in accordance with IND AS 18.

49 Company is generating power from Wind Farm since August 2001 and part of the generated power is being adjusted in power bill of SBU PC Rock phosphate (Jhamarkotra Mines) towards captive use by Ajmer Vidyut Vitaran Nigam Ltd. (AVVNL) while balance is being sold to AVVNL and other DISCOMS. From February 2005, AVVNL had stopped the adjustment of wind power in captive use without assigning any reason thereof. After long persuasion at various levels, AVVNL informed in November, 2005 that they have revised power bills from 2002 on new methodology as per guidelines of their Audit team. The amount so adjusted and in dispute is ₹ 1,15,08,126/- (Prev year ₹ 1,15,08,126/-). RSMML had objected the methodology of AVVNL and filed petitions in this matter with Rajasthan Electric Regulatory Commission (RERC) Jaipur which have been decided in favour of the Company. Further, the matter was referred to the Chairman, Central Tribunal wherein the case was decided in favour of the Company. However, AVVNL has filed three petitions in Hon'ble High Court of Rajasthan against the order, out of which two petition have been dismissed by the High Court while one is pending for decision. An amount of ₹ 80,63,696/-(Prev Year ₹ 80,63,696/-) has been refunded by AVVNL during the year 2012-13.

50 As per the Memorandum of Understanding (MOU) dated 04/05/1997, M/s Binani Industries Ltd. (Parent Company of BZL), erstwhile RSMDC (since then merged with RSMML), and M/S White Tiger Resource NL formed a Joint venture Company under the name and style R.B.W. Minerals Industries Limited was incorporated on 16/07/1997 to carry out prospecting work on base metal deposits and other allied activities in Rajasthan and Gujarat states including at the Deri Multi Metal Project of the Company.

51 It was also provided in the MOU that Joint venture Company would enter into an MOU with erstwhile RSMDC with a stipulation that erstwhile RSMDC would allow the Joint venture Company to carry out exploration work in mines and Joint Venture Company would reimburse the expenditure incurred on watch & ward, dead rent, other expenses for retaining the area. It was further, provided in the MOU that once the project is proved to be economically viable then Deri mines along with fixed assets would be transferred to the new company on mutually agreed valuation and terms & conditions after the permission of erstwhile RSMDC Board and State Govt. However, no such activities were started within the time specified in the MOU and thereafter. Subsequently, M/S White Tiger Resource NL has withdrawn itself from the Joint Venture and GMDC has become a new entrant in the project as per the terms of MOU dated 01/09/2001 executed between GMDC and of R.B.W. Minerals Industries Limited. Accordingly, the name of R.B.W. Minerals

Industries Limited was changed to R.B.G. Minerals Industries Limited.

Though, the various activities are in progress at the project sight but no significant development has taken place. The transfer price of the assets of the company has been firmed up and agreed by Joint Venture Company. The Company has given 'No objection' to Director, Mines & Geology to transfer the lease of Deri mines to the Joint Venture Company M/s RBG Minerals but the lease is yet to be transferred.

Further the Board of M/s Binani Industries Limited and GMDC has appointed M/s PWC to resolve the matter regarding valuation of Ambaji mines of GMDC and to carry out new evaluation after removal of errors and flaws pointed out in earlier IBM report. Based on the outcome of it , necessary action would be taken by the company. Pending final decision on the issues, the Company is booking the expenses incurred on Deri mines in the books of accounts as per prudent accounting principles & policies.

52 The company has awarded the work of setting up a desalination plant at Kasnau-Matasukh lignite mines to M/S Doshian Ltd, Ahemdabad, which has set up the plant through its SPV Nagaur Water Supply Company Pvt. Limited (NWSCPL), to supply potable water to PHED for distribution to 120 villages in Nagaur District for a period of 15 years. During the execution of the contract, some issues relating to interpretation of several clauses of the contract agreement between RSMML & NWSCPL have arisen which were referred to an independent Arbitrator and the learned Arbitrator after considering the all the facts made available by both parties, has pronounced its Award on 01.03.2017. As per the interpretation given the Arbitrator, under the contract provisions, certain amount are recoverable from M/s. NWSCPL, which are to be ascertained after revised bills are submitted by NWSCPL. Further it was clarified in the Award that arbitration is restricted to interpretation of the clauses as agreed by the parties and substantive rights shall be determined as per the interpretation of the clauses given in the Award. After passing the award on 01.03.2017, NWSCPL instead of settling the issues, filed an objection application under section 34 of Arbitration Act, challenging certain portions of the award which were not in its favour. These objections are now being contest by Company. Further, NWSCPL has also filed an Execution Application based claiming an amount of Rs. 16.00 Crore approximately and for appointment of chartered accountant for verification of same. The application was objected by the Company and was NWSCPL application was subsequently dismissed by the court accepting the objections raised by RSMML. However as NWSCPL is not settling the issue on the basis of award, but has preferred for two legal cases after Arbitration both Objection and Execution, Company is also now proceeding further to file Civil Suit for recovery of dues as computed by the Company against NWSCPL on the basis of interpretation given by the Arbitrator. The net recoverable/ payable amount with NWSCPL will be determined based on the orders of the court on two applications filed by NWSCPL and civil suit being filed by Company.

In the mean time, as NWSCPL could not supply water for 30 continuous days, the Company terminated the contract by issuing termination notice as per contractual conditions. Due to termination of the contract, NWSCPL filed a claim and Injunction Applications before District Court, Jaipur in which NWSCPL has made a prayer that till the Engineer-in-charge issues the required certificate as per the contract agreement and as per terms of award, RSMML may be restrained from taking over of the plant and be restricted to carry out any changes in the plant or to create any third party rights or to disown NWSCPL from the plant etc. Further NWSCPL also filed stay application against encashment of BG amounting to ₹ 6,03,70,635/- furnished by them under the contract. After dismissing the injunction application of NWSCPL seeking stay on invocation of BG by the court, the said BG stands revoked by Company. Further on the acceptance given by RSMML, that till the certificate as per the contract provisions and award is issued to NWSCPL, it will not take over the plant; injunction order has been passed by the court and Company has not taken over the plant.

Thereafter, in the same case, RSMML also filed its counter claim and Injunction application for granting stay against adjusting the three FDRs amounting to ₹ 6,08,28,300/- furnished by RSMML under the contract with IDBI, Udaipur which were under lien in favour of IDBI, Ahmadabad. On the above applications of RSMML, after hearing the arguments, interim stay orders against both IDBI branches (Udaipur & Ahmadabad) have been passed, restraining IDBI from carrying out any payment or adjustments of its own or NWSCPL dues from the FDR pledged by RSMML. Since then, all the four applications connected in the cases were being heard by the court. Further, the stay granted on FDR is being extended on every case date.

At present, there is no activity at the plant site and PHED has made its own arrangement for supply of water. Pending various court cases between both the parties, no further accounting adjustments in the accounts of NWSCPL and that of PHED to which company was supplying the water on chargeable basis, are being carried out. A a sum of ₹ 936.29 Lac is recoverable from PHED on 31.03.2018 (prev. year ₹ 936.29 Lac), The same is taken to be as difference between amount paid to NWSCPL and to be realized from PHED. However, the actual accounting adjustment would be made when the issues would be settled finally.

53 The company had awarded a contract to M/s National Construction Company (NCC) for "Hiring of Heavy Earth Moving Equipment for Removal of Overburden and Raising of Saleable Lignite" from Matasukh Lignite Mines situated in Nagaur district for a period of seven years – from 16.01.2003 to 16.01.2010. During the course of execution of the contract, due to in-rush of water in the mining pit, the mining operations were affected. As such, based on the technical advice from the Experts and looking to instructions of DGMS some changes were made in the design parameters.

The contractor before closure of the contract has raised a final claim of ₹ 7,309.89 Lakhs after adjustment of ₹ 1,400.25 Lakhs, given to them as an advance. The claim of the contractor was inclusive of ₹ 5,473.55 Lakhs towards remuneration for excess waste handling. The remaining claim amounts were towards diesel escalation, machinery and manpower idling charges, excess outside overburden dumping, excess de-watering charges, re-handling of overburden, reimbursement of service charges etc. Against the gross claim of ₹ 8,710.14 Lakhs , the company has accepted claims amounting to ₹ 1,994.64 Lakhs, including ₹ 1,925.72 Lakhs towards remuneration for excess waste handling charges. The contractor then has filed a court case in the year 2011-12 against the company, raising therein a claim of ₹ 9,259.69 Lakhs, including interest after adjusting advance. The case is still pending for decision.

54 The Employees Provident Fund Organisation (EPFO) vide its communication No.Co-ord/3(4)2002/clarifications/2882 dated 16.05.2005 has directed that leave encashment paid on or after 01.10.1994 comes under the ambit of basic wages for payment of PF contributions in conformity with the judgement of various courts in the country. Later on, EPFO has clarified in its subsequent communication dated 09.09.2005 that recovery of PF contribution on leave

encashment paid on or after 1st May, 2005 be enforced and action for recovery up to 30.04.2005 be kept in abeyance.

In compliance of the communications of EPFO, on or after 01.05.2005 the company had started deducting PF on leave encashment paid to its employees and equal amount was contributed to the PF Trust of the company. Later on, the Hon'ble Supreme Court in the case of Manipal Academy of Higher Education vs Provident Fund Commissioner has decided that leave encashment is not a part of 'basic wages' under section 2(b) of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 requiring pro-rata employers' contribution.

55 In compliance of the decision of the Hon'ble Supreme Court, EPFO vide its circular dated 05.05.2008 has conveyed for discontinuance of PF deduction on leave encashment with immediate effect and also stated that employer's share received by EPFO will be adjusted against future liabilities. Since this circular was not came to the notice of the company and its PF Trust till the Office of the AG has pointed out during the course of regular audit of SBU-Limestone in the year 2013 and also during conducting supplementary audit of the Balance Sheet for the FY 2012-13, the company continued to deduct PF contribution on leave encashment paid to its employees and made contributions of equal amount to PF Trust of the company. However, when the company became aware of the fact, it has stopped to deduct PF on leave encashment with effect from 01.10.2013.

The amount so deducted and contributed from the year 2008 to September 2013 works out to ₹ 261.38 Lakhs (Prev Year ₹ 261.38 Lakhs) . On the matter of recovery of amount deposited in PF Trust as per the directives of Board, legal opinion and also opinion from Finance Department , Goverment of Rajasthan is taken . Based on the opinions, so received, It was decided by the Company to recover /adjust the amount PF on leave encashment from its future liability.It was also decided to issue notices to ex -employees for recovery of amount so paid. The amount so recovered in the year 2017-18 is ₹ 1.26 Lakhs on this account and upto 31/03/2018 is ₹ 198.39 Lakhs (Prev year ₹ 197.13 Lakhs) has been considered as revenue.

56 M/s Suzlon Energy Limited(SEL) was awarded work for installation and Operation & Maintenance of Wind Power generating in Phase I & II commissioned on 10.04.2001 & 29.03.2002 respectively. As per the terms of the contract, the contractor is to give net minimum guaranteed generation(NMGG), failing which liquidated damages at agreed rates are required to be levied. Further the contractor is also required to provide Bank Guarantee (BG) of differential amount towards additional security. As per the correspondence exchanged between RSMML & party, M/s Suzlon Energy Limited has transferred powers to be generated from 2 WTGs of 2.1 MW & 2.25 MW generation capacityalong with PPA to the company in lieu of the BG and liquidated damages of for both the phases.Consequently, the bills of sale of power to DISCOM attributable to these two WTGs are being raised in the name of RSMML from the month of January 2016 and onwards. As per the agreement with the party, the unit/revenue generation from these WTGS would be adjusted towards the shortfall units as compared to NMGG of the respective phases during the relevant block. If any shortfall still remains unadjusted,compensation for the same would be recovered from the party . On the other hand, if there remains any excess revenue generation after adjusting the shortfall of the respective phases, such revenue would be pass on to M/s Suzlon Energy Ltd. Accordingly the sales realization of the units generated from 2 WTGs is being kept in retention account to be adjusted against Liquidated damage at the end of block period of respective phases.

57 The company was allotted Sachcha Sauda, Lignite Block spread in 562.50 hectares in Nov 2006 by the Ministry of Coal, GoI for the purpose of open cast mining of Lignite. However, CAIRN India/ONGC has acquired some part of the land falling within the mining land for laying pipeline and construction of road for monitoring, in the middle part and across the Sachcha Sauda Block, due to which the mining of Lignite would be affected adversely. As such to resolve the conflict and to enable to undertake the mining activities in the mining lease, the company has referred the matter to the Ministry of Coal, GoI vide its letter dated 19/20.06.2016, requesting to allow the company to undertake the work of underground Coal Gasification. The approval of the Ministry of Coal is still awaited.

58 Consequent upon the receipt of demand of service tax from the concerned authority the mining contractor of the company were asking the company to pay the service tax alongwith interest and penalty if any as demanded by the authorities on free supply of diesel to them by the company .The contractor are contesting the cases at various levels.During the year it has been decided by Hon'ble Supreme court in other cases that during the course of of execution of contract the free supply made by the service receipient to the service provider is not subjet ed to service tax .As per information available no such decision has received in cases related to the mining contracts of the company.Since the liability if any on this account is not quantifiable , no liability is being taken in its books on this account and shall be accounted for as and when any demand is arised finally.

59 The government vide notification dated 27/02/2017 has revised the rate of mine closure expenses per hectare from ₹ 0.20 Lakh and ₹ 0.15 Lakh to ₹ 3.00 Lakh and ₹ 2.00 Lakh for Category 'A' mines and for Category 'B' mines respectively. The company has provided bank guarantees for ₹ 3393.73 Lakh as financial assurance to concerned authorities as per revised rates.

60 ANALYSIS OF STORES AND SPARES CONSUMED:

(₹ in Lac)

Particulars	2017-18	2016-17
Imported	-	87.94 (1.84%)
Indigenous	4,702.42 (100%)	4,688.35 (98.16%)

61 There is no raw material imported & consumed during the year .

62 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

(₹ in Lac)

Particulars	2017-18	2016-17
Earnings	205.71	-
Expenditure		
Spares		87.94
Other Matters	6.15	7.37

63. QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

(i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos

(In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Opening Stock	2,203,250	2,314,782	109,862	134,868	12,009	11,147
Production	1,230,950	769,903	198,956	198,860	40,840	44,050
Less: Moisture Qty.			-43,009	-40,946		
Purchase	28,906	38,123				
Transfer	28,395	24,868	-28,395	-24,868		
Retrieval						
Sales	555,799	414,132	146,702	171,268	40,399	43,030
Less: Moisture			-12,161	-15,847		
Free Sample					5	
Own consumption for Ben. Rock Phosphate Rajphos	477,532	512,056				
Stock as per Books	2,458,170	2,221,488	102,873	112,493	12,445	12,167
Shortages	12,882	18,238	2,358	2,631	150	158
Closing Stock	2,445,288	2,203,250	100,515	109,862	12,295	12,009

(ii) Gypsum & Selenite:

(In MT)

Particulars	Gypsum		Selenite	
	2017-18	2016-17	2017-18	2016-17
Opening Stock	41,886	61,492	-	-
Purchases	-	-	-	-
Production	729,698	894,779	469	4,328
Sales	766,131	914,772	469	4,328
Stock as per Books	5,453	41,499	-	-
Shortages/Retrieval	521	387	-	-
Closing Stock	5,974	41,886	-	-

(iii) Lime Stone:

(In MT)

Particulars	2017-18		2016-17	
	Lime Stone	Sub Grade Lime Stone	Lime Stone	Sub Grade Lime Stone
Opening Stock	59,668	334,557	325,624	191,833
Production	2,751,329	708,233	1,862,975	449,949
Sales	2,852,436	530,122	2,105,283	305,611
Stock as per Books	-41,439	512,668	83,316	336,171
Shortages/Retrieval	44,909	-13,560	-23,648	-1,614
Closing Stock	3,470	499,108	59,668	334,557

(iv) Lignite

(In MT)

Particulars	2017-18	2016-17
Opening Stock		
Production	10,18,756	549,181
Sales	10,18,756	549,181
Stock as per Books	-	-
Shortages	-	-
Closing Stock	-	-

(v) Multimetal:

(In MT)

Particulars	2017-18	2016-17
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340

(vi) Power: (106.3 MW Wind Power Plant)

(In units)

Particulars	2017-18	2016-17
Generation	109,032,398	118,118,397
Sales	102,346,383	109,995,227
Own Consumption	6,017,418	7,310,852
Wheeling units	6,68,597	812,317

(vii) Solar Plant:

(In units)

Particulars	2017-18	2016-17
Generation	71,23,217	74,67,982
Sales	71,23,217	74,67,982
Own Consumption	-	-
Wheeling units	-	-

64 MISCELLANEOUS:

(i) Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Normal Opearting Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act,2013.

(iii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

Form AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries

(₹ in Lac)

1.	**Name of the Subsidiary**	**Barmer Lignite Mining Company Limited**	**Rajasthan State Petroleum Corporation Limited**
2.	The date since when subsidiary was acquired	19-01-2007	10/7/2008
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2017 to 31-03-2018	01-04-2017 to 31-03-2018
4.	Reporting currency	INR	INR
5.	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable
6.	Share Capital	2,000.00	6,699.45
7.	Reserves & Surplus	-7,187.36	-162.01
8.	Total Assets	252,374.67	6,537.84
9.	Total Liabilities	257,562.03	0.40
10.	Investments	-	6,500.00
11.	Turnover	83,642.49	-
12.	Profit before taxation	-5,915.62	-80.01
13.	Tax Expenses	-1,361.83	0.23
14.	Profit after taxation	-4,553.79	-80.24
15.	Proposed Dividend	-	-
16.	% of shareholding	51%	100%

1. Names of subsidiaries which are yet to commence operations - NIL
2. Names of subsidiaries which have been liquidated or sold during the year - NIL
3. 3. Since there is no Joint Venture of the Company, part B is not applicable.

For and on Behalf of the Board

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

Place: Jaipur
Date: 14.11.2018

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF RAJASTHAN STATE MINES AND MINERALS LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31st March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 November 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6) (a) of the Act of the financial statements of the Rajasthan State Mines and Minerals Limited for the year ended 31s March, 2018. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act..

For and on the behalf of
the Comptroller and Auditor General of India

(Anadi Misra)
Accountant General
(Economic & Revenue Sector Auditor)
Rajasthan, Jaipur

Place: Jaipur
Dated: 20th December 2018

CONSOLIDATED FINANCIAL STATEMENT 2017-18
OF
RAJASTHAN STATE MINES & MINERALS LIMITED

PRAMOD & ASSOCIATION
CONSOLIDATED INDEPENDENT AUDITORS REPORT

To

The Members

Rajasthan State Mines and Minerals Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of **Rajasthan State Mines and Minerals Limited** (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to the 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in the terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under.

The respective Boards of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Basis of Qualified Opinion

(i) The Development Charges on Gypsum and Limestone of Rs. 21.31 crores were refunded by the government to RSMML in the year 2006-07 as the levy of development charges was withdrawn since 1/04/2006. However, the said levy of Rs. 21.31 crores was recovered from the buyers while raising the bills/invoices. RSMML had received certain claims from the buyers, as informed by the Company, amounting to Rs. 2.37 crores but the liability for the same has not been provided. The total impact is that the Other Equity has been overstated by a total of Rs. 2.37 crores, Other Current Financial Liabilities understated by Rs. 2.37 crores and Contingent Liabilities overstated by Rs. 2.37 crores in the head 'Claims against company not acknowledged as debt'.

(ii) As detailed in Note No. 58 of the Consolidated Financial Statements, the contractor M/s National Construction Company had raised a claim based on the terms of contract between RSMML and the Contractor, for Excess Wastage Handling Remuneration which has not been adequately provided for by the Company in its books of accounts. The claim had been provided for at Rs. 19.25 crores in the financial year 2009-10 instead of Rs. 39.06 crores resulting into short provisioning of Rs. 19.81 crores. The total impact is that Other Equity has been overstated by a total of Rs. 19.81 crores, Other Current Financial Liabilities understated by Rs. 19.81 crores and Contingent Liabilities overstated by Rs. 19.81 crores in the head 'Claims against company not acknowledged as debt'.

(iii) We further report that had the observations made by us in sub Para nos. (i) and (ii) above been considered, Other Equity would have been Rs. 2035.63 crores (as against Rs. 2057.81 crores as reported by the Group), Other Current Financial Liabilities would have been Rs. 188.83 crores (as against Rs. 166.65 crores as reported by the Group), Contingent liabilities, in the head 'Claims against company not acknowledged as debt', would have been Rs. 518.49 crores (as against Rs. 540.67 crores as reported by the Group).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of Qualified Opinion Paragraph, the aforesaid Consolidated

Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India, including the Ind AS, of the Consolidated financial position of the Group as at 31st March 2018, and its Consolidated Profit including other comprehensive income, its Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

a) Note No: 30.1 to the Standalone Ind AS financial statements regarding the accounting treatment and recording the asset / liability for any excess / shortfall in progressive mine closure expenses incurred during the year.

b) Note No: 32.3 to the Consolidated Ind AS financial statements regarding the Fuel Supply Agreement (FSA) entered into with Rajasthan Vidyut Utpadan Nigam Limited (RVUNL), that in the absence of renewed FSA, revenue has been accounted for on the basis of prevailing rates as defined in existing FSA.

c) Note No: 53 to the Consolidated Ind AS financial statements regarding the non-refund of the amount from the State government related to the retrospective increase in MR Cess rate and the final adjustment shall be made on the receipt of same.

d) Note No: 57 to the Consolidated Ind AS financial statements regarding the dispute about the applicability of recovery clause when the Desalination Plant is operated on reduced capacity, still the matter is sub judice.

e) Based on the report of the auditor of RSPCL, we draw attention that the RSPCL is required to appoint a full time Company Secretary as per provision of section 203 of the Companies Act 2013, however same has not appointed by the company.

Our opinion is not modified in respect of these matters.

Other Matter

a) We did not audit the standalone financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of Rs. 2584.28 crores, total revenue of Rs. 796.64 crores and net cash flows of Rs. (47.56) crores for the year ended 31st March 2018, as considered in the consolidated financial statements. The consolidated Ind AS financial statements also include group's Net profit after tax of Rs 3.94 crores. The standalone financial statements of the subsidiaries have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) and (11) of section 143 of the Companies Act 2013, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory requirements mentioned below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required under Section 143(5) of the Companies Act, 2013,we give in the "Annexure-A", a Statement on the Directions issued by the Comptroller and Auditor General of India after complying with the suggested methodology of audit, the action taken thereon and its impact on the accounts and financial statements of the group.
2. As required by Section 143 (3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS Financial Statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind As financial statements.

d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under.

e. In pursuance to the Notification No. G.S.R 463(E) dated 05-06-2015 issued by the Ministry of Corporate affairs, Section 164(2) of the Companies Act, 2013 pertaining to disqualification of Directors, is not applicable to the Government Company.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our report in "Annexure -B" and

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated Ind AS financial statements has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements refer note no. 51 to the Consolidated Ind AS financial statements;

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary companies.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

Annexure "A" to the Consolidated Independent Auditors' Report

The Annexure A referred to in our consolidated Independent Auditor's Report to the members of the Group on the consolidated financial statements for the year ended 31 March 2018, we report that:

GENERAL DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013
FOR THE FINANCIAL YEAR 2017-2018

I Whether the Company has clear title/lease deeds for freehold and leasehold property respectively? If not, Please state the area of freehold and leasehold land for which title / lease deeds are not available?

The title/ lease deeds of the immovable properties are held in the name of the Company except cases of Leasehold Land of 38000 square feet having cost of Rs. 9.62 Lacs, 199.62 Bigha land having cost of Rs. 336.05 Lacs and 258.77 hectare land having value of Rs.190.99 lacs, Free hold land of 4.775 hectare having value of Rs. 97.95 lacs and buildings having cost of Rs. 254.37 Lacs , of which title/ lease deeds are pending for execution in the name of the holding company. In the Barmer Lignite Mining Company Limited (BLMCL), mining lease for mining rights in the immovable properties comprising of land at Kapurdi and Jalipa for 39670.90 bighas and does not have title deeds for the aforesaid land at Kapurdi and Jalipa. However title deed of Kapuradi land has been mutated in favour of Rajasthan State Mines and Minerals Limited (RSMML), holding Company, while mutation of title deed of Jalipa land in favour of RSMML is in process.

II Waiver/Write Off of debts/loans/interests etc.

There are no significant cases of waiver/write off of debts/loans/interest etc. As per the process of the Company any waiver/write off of debts/loans/interest etc is accounted only with the approval of Competent Authority.

III Inventories lying with the third parties and assets received as gift from Government or other authorities.

We are informed that no inventory of the Group is lying with third parties as at the end of the year. There are no assets received as gift from Government or other authorities.

SUB DIRECTIONS ISSUED U/s 143(5) OF THE COMPANIES ACT, 2013
FOR THE FINANCIAL YEAR 2017-2018

1. Whether the company has taken adequate measures to reduce the adverse effect on environment as per established norms and taken up adequate measures for the relief and rehabilitation of displaced people.

According to the information and explanations given to us, RSMML and BLMCL is taking adequate measures to reduce the adverse affect on environment as per the established norms and has taken up adequate measures for the relief and rehabilitation of displaced people. In case of Land acquisition, compensation is paid to land owners as per award of Land Acquisition Officer (LAO) which includes benefit of Relief and Rehabilitation.

2. Whether the company had obtained the requisite statutory compliances that was required under mining and environmental rules and regulations?

According to the information and explanations given to us, RSMML and BLMCL had obtained the requisite statutory compliance that was required under mining and environmental rules and regulations.

3. **Whether overburden removal from mines and backfilling of mines are commensurate with the mining activity?**

According to the information and explanations given to us, RSMML and BLMCL has undertaken mining activities as per approved mining plan which specifies removal of overburden and back-filling.

4. **Whether the Company has disbanded and discontinued mines, if so, the payment of corresponding dead rent there against may be verified?**

According to the information and explanations given to us, the Dead rent is being paid/provided for disbanded/discontinued mines by the RSMML and BLMCL.

5. **Whether the company's financial statements had properly accounted for the effect of Rehabilitation Activity and Mine Closure Plan?**

According to the information and explanations given to us, the RSMML and BLMCL financial statements had properly accounted for the effects of Rehabilitation activity and Mine Closure Plan.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

Annexure "B" to the Consolidated Independent Auditors' Report

Annexure B to the Consolidated Independent Auditor's Report as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report on even date

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind As financial statements of the Company as of and for the year ended March 31, 2018 We have audited the internal financial controls over financial reporting of **RAJASTHAN STATE MINES & MINERALS LIMITED** (hereinafter referred to as "the Holding Company" and its subsidiaries which are companies incorporated in India as on that date.

Management's Responsibility for Internal Financial Controls

The respective board of Directors of the Holding Company" and its subsidiaries which are companies incorporated in India , are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the holding Company, its subsidiary companions, which are companies incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Pramod & Associates
Chartered Accountants
FRN : 001557C

Sd/-
(Abhishek Dalmia)
Partner
Membership no.: 403936

Place: Jaipur
Date: 14.11.2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

(₹ in Lac)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
ASSETS			
[1] Non-current assets			
(a) Property, Plant and Equipment	6	63,846.15	67,133.83
(b) Capital work-in-progress	6	52.12	168.30
(c) Other Intangible assets	7	207,911.72	36,451.50
(d) Intangible assets under development	8	-	149,795.48
(e) Financial Assets			
(i) Investments	9	10,418.47	4,126.24
(ii) Loans	10	591.79	690.58
(iii) Others financial assets	11	3,371.94	3,394.00
(f) Other non-current assets	12	30,586.78	45,587.67
		316,778.97	**307,347.59**
[2] Current assets			
(a) Inventories	13	37,751.59	33,911.05
(b) Financial Assets			
(i) Trade receivables	14	20,089.11	22,347.20
(ii) Cash and cash equivalents	15	98,817.52	93,100.20
(iii) Bank balances other than (ii) above	16	27,731.22	18,340.80
(iv) Loans	17	216.64	242.60
(v) Others current financial assets	18	525.65	320.50
(c) Current Tax Assets (Net)	19	-	-
(d) Other current assets	20	8,609.16	6,666.93
		193,740.89	**174,929.29**
Total Assets [1+2]		**510,519.86**	**482,276.88**
EQUITY AND LIABILITY			
[1] Equity			
(a) Equity Share capital	21	7,755.15	7,755.15
(b) Other Equity	22	205,781.04	196,591.14
Non Controlling Interest		-2,540.11	1,325.69
		210,996.08	**205,671.98**

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
LIABILITIES			
[2] Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	23	35,405.63	30,368.98
(ii) Borrowings	24	165,152.68	151,770.28
(b) Provisions	25	36,744.42	34,291.59
(c) Deferred tax liabilities (Net)	26	578.24	2,907.26
		237,880.97	**219,338.10**
[3] Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	27	14,925.17	14,108.44
(ii) Other financial liabilities	28	16,665.10	22,665.22
(b) Other current liabilities	29	22,310.94	17,690.31
(c) Provisions	30	7,280.67	2,474.64
(d) Current Tax Liabilities (Net)	31	460.93	328.18
		61,642.81	**57,266.81**
Total Equity and Liabilities [1+2+3]		**510,519.86**	**482,276.88**

Significant accounting policies & Notes to financial statements 1 to 70

As our report of even date

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

For and on Behalf of the Board

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2018

(₹ in Lac)

	Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
I	Revenue From Operations	32	163,572.70	152,629.11
II	Other Income	33	8,801.17	9,968.66
III	**Total Income (I+II)**		**172,373.87**	**162,597.77**
IV	Expenses			
	Purchase of Ore	34	269.92	827.70
	Changes in inventory of finished goods	35	-3,916.03	-1,617.98
	Employee benefits expense	36	16,496.53	14,145.81
	Finance costs	37	11,014.11	5,762.14
	Depreciation and amortization expense	6	6,602.97	6,566.77
	Other expenses	38	124,851.40	122,410.58
	Total expenses (IV)		**155,318.90**	**148,095.03**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**17,054.96**	**14,502.74**
	Share of profit/(loss) of joint venture		-	
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**16,932.59**	**14,502.74**
VIII	**Tax expense:**	39		
	(1) Current tax		7,349.86	5,836.91
	(2) Tax of earlier years		-181.61	-874.72
	(3) Deferred tax		-2,329.02	-1,232.84
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**12,093.35**	**10,773.40**
X	**Profit/(loss) from continuing operations attributable to:**			
	Owners of the parent		14,324.71	10,871.64
	Non-controlling interest		-2,231.36	-98.24
XI	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	Fair Value Gain/Loss on investments		-28.95	16.35
	Remeasurement gain/loss on defined benefit obligation (Gratuity)		-693.02	-459.70
	(ii) Income tax relating to items that will not be reclassified to profit or loss		249.86	159.09
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			

Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
Other Comprehensive Income for the year attributable to:			
Owners of the parent		-472.11	-284.26
Non-controlling interest		-	-
XII **Total Comprehensive Income for the period (IX+XI)** (Comprising Profit(Loss) and Other Comprehensive Income for the period)		**11,621.24**	**10,489.14**
Total Comprehensive Income for the year attributable to:			
Owners of the parent		13,852.60	10,587.38
Non-controlling interest		-2,231.36	-98.24
XIII **Earnings per equity share**			
Basic	42	8.82	13.53
Diluted		8.82	13.53

Significant accounting policies & Notes to financial statements 1 to 70

As our report of even date

For and on Behalf of the Board

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2018

A. EQUITY SHARE CAPITAL

Balance at the beginning of the reporting period	Changes in equity share capital during the year 2017-18	Balance at the end of the reporting period
7755.15	-	7755.15

B. OTHER EQUITY

(₹ in Lac)

Particulars	Reserves and Surplus			Items of other comprehensive income		Total
	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Defined benefit obligation	
Balance as at March 31, 2017	**2,103.93**	**185,919.88**	**2,285.15**	**151.02**	**211.43**	**190,671.41**
Profits for the year	-	-	10,871.64	-	-	**10,871.64**
Fair valuation of investments	-	-	-	16.35	-	**16.35**
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-300.61	**-300.61**
Dividend payment	-	-	-3,877.58	-	-	**-3,877.58**
Dividend Distribution Tax	-	-	-789.38	-	-	**-789.38**
IndAS Adjustments	-	-	-0.70	-	-	**-0.70**
Balance as at March 31, 2017	**2,103.93**	**185,919.88**	**8,489.14**	**167.37**	**-89.18**	**196,591.14**
Profits for the year	-	-	14,316.66	-	-	**14,316.66**
Fair valuation of investments	-	-	-	-28.95	-	**-28.95**
Remeasurement gain/loss on defined benefit obligation	-	-	-	-	-443.16	**-443.16**
Dividend payment for FY 16-17	-	-	-3,877.58	-	-	**-3,877.58**
Dividend Distribution Tax	-	-	-789.38	-	-	**-789.38**
IndAS Adjustments	-	-	12.31	-	-	**12.31**
Balance as at March 31, 2018	**2,103.93**	**185,919.88**	**18,151.15**	**138.42**	**-532.34**	**205,781.04**

As our report of even date

For and on Behalf of the Board

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

CONSOLIDATED STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Lac)

Particulars	Year ended March 31st 2018		Year ended March 31st 2017	
A Cash Flow From Operating Activities				
Net Profit Before Tax & after exceptional item and comprehensive income		**16932.59**		**14502.74**
Adjustments For :				
Depreciation expense	6602.97		6566.77	
Amortization expense	77.66		77.66	
Interest Income	-5928.61		-6553.51	
Interest Expenses	11003.87		5760.16	
Dividend Income	-0.10		-0.10	
Profit on sale of Property,plant & equipment(PPE)	-0.17		-13.25	
Loss on sale of Property,plant & equipment(PPE)	0.00		0.35	
Property,plant & equipment(PPE) Written off	11.96		0.62	
Impaired/obsoletion of assets	1.59		2.95	
Obsoletion loss on Spares	0.00		33.63	
Liabilities no longer required	0.00		-1.30	
Remeasurment of defined benefit plan	-693.02		-459.70	
Prior Period Items	12.31			
		11088.46		**5414.27**
Operating Profit Before Working Capital Change		**28021.04**		**19917.02**
Change In Working Capital (Excluding Cash & Cash Equivalents)				
Decrease/(Increase) in Loans	25.96		26.48	
Decrease/(Increase) in inventories	-3840.54		-1597.36	
Decrease/(Increase) in trade receivables	2258.09		8150.54	
(Decrease)/Increase in Trade payables	816.73		1396.39	
Decrease/(Increase) in other current, non current financial and advances	-3332.38		-4208.11	
(Decrease)/Increase in other current liabilites and provisions	16017.80		12817.75	
		11945.65		**16585.69**
Cash Generated From Operation		**39966.70**		**36502.71**
Less: Direct Taxes Paid net of refund(including TDS)		-7791.26		-1837.35
Net Cash flow From Operating Activities		**32175.44**		**34665.33**

(₹ in Lac)

Particulars	Year ended March 31st 2018		Year ended March 31st 2017	
B Cash Flow From Investing Activities				
Repayment of loans received from employees	98.79		-11.29	
Addition in Property,plant & equipment(PPE)	-10431.34		-22780.55	
Sale of Fixed and Other Assets	0.76		77.82	
Dividend Income	0.10		0.10	
Interest Income	5928.61		6561.56	
(Increase)/Decrease in Investment	-14531.96		-1594.94	
Net Cash (Used) In/From Investing Activities		**-18935.03**		**-17747.29**
C Cash Flow From Financing Activities				
Interest paid	-11003.87		-5760.16	
Dividend Paid	-3877.58		-3877.58	
Dividend Distribution Tax Paid	-789.38		-789.38	
Proceeds from long term borrowings	114559.06		5584.57	
Amount received towards issue of shares to NCI	0.00		297.50	
Repayment of long term borrowings	-106346.50		-7560.00	
Transaction Cost	-8.05		-1.40	
(Decrease)/Increase in other financial liabilities	-56.76		89.27	
Net Cash (Used) In/From Financing Activities		**-7523.08**		**-12017.18**
D Net Change In Cash & Cash Equivalents(A+B+C)		**5717.33**		**4900.86**
E Cash & Cash Equivalents at beginning of the year		**93100.20**		**88199.35**
F Cash & Cash Equivalents at end of the year		**98817.52**		**93100.20**

Notes :

Cash & Cash Equivalent held by the Company and not available for use by it. 26645.04 16439.92

1. Cash Flow has been prepared under indirect method as set out in IND AS-7
2. Addition/Purchase of Property, plant & equipment(PPE) excludes movement of Capital Works in Progress & Capital Advances during the year.
3. Previous Year's figures have been recasted/regrouped, wherever necessary, to confirm to the current years'

As our report of even date

For and on Behalf of the Board

For Pramod & Associates
Chartered Accountants
FRN: 001557C

Sd/
(Abhishek Dalmia)
Partner
Membership No. 403936

Place: Jaipur
Date: 14.11.2018

Sd/
Bhawani Singh Detha
Managing Director
DIN - 03605761

Sd/-
H. V. Paliwal
Director
DIN - 03633208

Sd/
Bhupesh Mathur
Chief Financial Officer

Sd/-
Rajendr Rao
Co. Secretary

SIGNIFICANT ACCOUNTING POLICIES, ASSUMPTIONS AND NOTES TO ACCOUNTS

1 GROUP OVERVIEW

Rajasthan State Mines and Minerals Ltd (Parent company) is a Government of Rajasthan owned enterprise. The Group along with its subsidiary is engaged in the business of mining of Rock Phosphate, Lignite, Limestone, Gypsum, exploration, Production, of petroleum gas and generation of power through Wind and Solar farms. The Parent is a company limited by shares. The registered office of the Parent is located at C-89,90, Janpath, Lalkothi, Jaipur.

The Consolidated Financial Statement(CFS) related to parent company, Rajasthan State Mines & Minerals Limited (RSMML), its subsidiary companies, in the form of jointly controlled entities (collectively referred to as " the Group")

2 BASIS OF PREPARATION

2.1 The Consolidated financial statements has been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2.2 Effective date 1st April, 2016 with 1st April 2015 as transition date, the company had adopted all the Ind AS standards and the adoptions was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards including clarification issued by Ind AS Transition Facility (ITFG) on various issues. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2.3 Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.4 All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

2.5 The significant accounting policies used in preparing the Consolidated financial statements are set out in Notes to the Financial Statements.

2.6 The preparation of the Consolidated financial statements requires management to make estimates, judgements and assumptions. Actual results could vary from these estimates. The estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Notes on critical accounting estimates, assumptions and judgements). The management believes that the estimates used in preparation of the Consolidated financial statements are prudent and reasonable.

2.7 Amounts in these Consolidated financial statements have, unless otherwise indicated, have been rounded off to 'Rupees in Lakhs' upto two decimal points.

3 STATEMENT OF COMPLIANCE

The Consolidated financial statements comprising of the Balance Sheet, Statement of Profit and Loss, Statement of changes in equity, Statement of Cash Flow together with notes comprising a summary of Significant Accounting Policies and Other Explanatory Information for the year ended 31st March 2017 and comparative information in respect of the preceding period and Balance Sheet as on transition date, i.e. 1st April 2015 have been prepared in accordance with IND AS as notified and duly approved by the Board of Directors, along with proper explanation for material departures.

4 ACCOUNTING POLICIES

With respect to RSMML

4.1 Basis of Measurement

The Consolidated financial statements have been prepared on accrual basis and under the historical cost convention except:

a. Financial assets and liabilities barring a few assests carried at amortised cost, disclosed separately

b. Assets held for sale – measured at fair value

c. Defined benefit plans – Plan assets measured at fair value

The Consolidated financial statements are presented in Indian Rupees, which is the group's functional and presentation currency.

4.2 Current Versus Non-Current Classification

The group presents its assets and liabilities in statement of financial position based on current/non-current classification

The group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle,

b. Held primarily for the purpose of trading,

c. Expected to be realised within twelve months after the reporting period, or

d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when it is:

a. Expected to be settled in normal operating cycle,

b. Held primarily for the purpose of trading,

c. Due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4.3 Property, Plant and Equipment

- Property, plant and equipment are tangible items that:
  a. are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
  b. are expected to be used during more than one period.
- Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory. It is estimated that spares having a value of more than Rs. 2 lacs are assumed to qualify for the definition of property plant equipment. Life of the spares has been considered to be 18 months. Residual value of 5% has been considered for all the spares capitalised. The value of such spares is transferred to the Statement of Profit and Loss as and when they are consumed.
- The initial cost of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.
- Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.
- Assets are depreciated to their residual values on a written down basis over the estimated useful lives given in schedule II of Companies Act, 2013 except for assets specified in the following paragraphs. Asset's residual values and useful lives are reviewed at the end of each financial year considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life.
- Leasehold land is amortised over the period of lease.
- Freehold land, other than Mining Land, is not depreciated.
- Cost of freehold mining land remaining unusable after excavation of mineral is amortised on the basis of minerals actually produced during the year to the total estimated minable reseves reckoning from the year in which regular production is commenced.
- PPE costing up to Rs. 5,000 each are fully depreciated in the year of purchase/installation.
- Assets not owned by the Company is amortised in the year of completion.

Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount (i.e. the higher of the fair value less cost to sell and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

4.4 Cash and Cash Equivalents

- Cash and cash equivalents include cash in hand and at bank, deposits held at call with banks, PD account with the government, Fixed Deposits and Flexi fixed deposits.
- For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits.

4.5 Inventories

a. Finished goods:

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprise of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the FIFO basis.

b. Stores & Spares:

- Stores and spares that do not quilify for the definition of PPE are treated as inventory.
- Stores and Spares are valued at their weighted average cost.
- Shortages found on physical verification of materials are being accounted for, considering the nature of material and the volume of shortages.
- Obsolete spares, stores are taken at Nil value.

c. CER/VER/RECs

- Certified Emission Reduction certificates, Voluntary Emission Reduction certificates and Renewal Energy Certificates are valued at cost incurred for their certification or their NRV, whichever is lower.

4.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease..

a. Finance lease

- A lease that transfers substantially all the risks and rewards incidental to ownership to the group is classified as a finance lease.
- Assets given by lessor under finance lease are recorded as receivable at the lower of the fair value of the leased property and the present value of the minimum lease payments. Lease receipts are apportioned between the reduction of lease receivable and finance income so as to achieve a constant rate of interest on the remaining balance of the receivable for each period. The corresponding rent receivables, net of finance charges, are included in current and non-current other financial asset. The interest element of lease is accounted in the Statement of Profit and Loss over the lease period.
- Assets taken on leases are capitalized at the commencement of the lease at the inception date at lower of fair value of the leased property or present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the Statement of Profit or Loss. A leased asset is depreciated over the useful life of the asset.
- Assets held under finance leases are recognized as assets of the group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the group's policy on borrowing costs.

b. Operating lease

- An operating lease is a lease other than a finance lease. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.
- Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. Payments/receipts under operating lease are recorded in the Statement of Profit and Loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

4.7 Employee benefits

- Short term employee benefits, which are expected to be settled within twelve months after the end of the period in which the employees rendered the related service, are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.

- Leave encashment being are in the nature of other long term benefits is accounted for using the projected unit credit method, on the basis of actuarial valuations carried out by independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Statement of Profit and Loss in the period in which they arise.
- Provident Fund & Pension Fund are defined contribution schemes as per applicable rules/statute and contribution made to the Provident Fund Trust and Regional Provident Fund Commissioner respectively are charged to the Statement of Profit and Loss.
- The cost of providing Gratuity, a Defined Benefit plan, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by an independent actuarial valuer at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss. Gratuity liability is funded with LIC of India.
- Retirement benefit in the form of post-retirement medical benefit is a defined contribution scheme in which the group Company contributes annually 25% of the amount contributed by the employees.
- Liability for Sick Leave is accounted for on the basis of actuarial valuation by an independent Actuarial valuer and all re-measurement gains and losses are accounted for in the Statement of Profit and Loss.
- Payments made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss as and when incurred.

4.8 Assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets identified as held for sale are reclassified as current assets and measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognized in the Statement of Profit and Loss. On classification as held for sale the assets are no longer depreciated.

4.9 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial Assets

- Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on the judgment of the management for managing those financial assets and the assets' contractual cash flow characteristics.
- Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes, financial assets are assessed individually.

De-recognition of financial Asset

A financial asset is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment losses on the following financial assets:

Financial assets that are debt instruments and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balances.

Trade receivables:

- A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less expected credit loss, if any.
- Impairment is made for the expected credit losses. The estimated impairment losses are presented as a deduction from the value of trade receivables and the impairment losses are recognised in the Statement of Profit and Loss under "Other expenses".
- Subsequent changes in assessment of impairment are recognised in ECL and the change in impairment losses are recognised in the Statement of Profit and Loss under "Other Expenses".
- Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivables and the amount of the loss is recognised in the Statement of Profit and Loss under "Other Expenses".
- Subsequent recoveries of amounts previously written off are credited to "Other Income".

Investment in equity instruments:

Investment in equity securities are initially measured at fair value, irrespective of their current or non current nature. Any subsequent fair value gain or loss is recognised through Other Comprehensive Income since all the equity instruments are measured at Fair Value through Other Comprehensive Income . Their is no recycling of any amount of gain/loss recognised in other comprehensive income due to sale of these investments.

b. Financial liabilities

At At initial recognition, all financial liabilities other than those valued at fair value through profit and loss are recognised at fair value less transaction costs that are directly related to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. The group has not designated any financial liabilities upon initial measurement recognition at fair value through profit or loss.

Financial liabilities measured at amortised cost

After initial recognition, interest free Security Deposits and other financial liabilities are valued at Amortised cost using Effective Interest Rate method (EIR Method). The EIR amortisation is included in finance costs in the Statement of Profit and Loss. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised inprofit or loss as "Other Income" or "Finance Expense".

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Gains or losses on financial guarantee contracts and loan commitments issued by the group that are designated by the group as at fair value through profit or loss are recognised in profit or loss.

4.10 Taxation

- Income tax expense represents the sum of Current Tax and Deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.
- Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the Income Tax Act 1961. Current tax assets and current tax liabilities are off set and presented as net.
- Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

- Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that group will pay normal income-tax during the specified period.

4.11 Earnings per share

- Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year.
- Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

4.12 Provisions and contingencies

a. Provisions

- Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- If the effect of the time value of money is material, provisions are discounted using appropriate discount rate
- Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

b. Mine restoration or assets retirement obligation

Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards restoration and rehabilitation at the time of closure of mine. The cost estimates, if required will be reviewed and will be adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The unwinding of the discount on provision is shown as a "Finance expense" in the Statement of Profit and Loss.

c. Contingencies

- Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation

that arises from past events where it is either not probable that an outflowof resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liabilities is disclosed in the Notes to the Consolidated Financial Statements.

- Contingent assets are not recognised in the books of the accounts but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset and the corresponding income is booked in the Statement of Profit and Loss.

4.13 Revenue recognition and other income

a. Revenue from sale of Minerals

- Revenues are measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and clean energy cess. Excise duty and royalty (DMF/NMET) are liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of these taxes flows to group on its own account, revenue includes these taxes.
- Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.
- No significant financing component exists in the sales.

b. Revenue from sale of Power:

- Revenue from sale of power segment is accounted on the basis of billing to the customer and includes unbilled revenues accrued up-to the end of financial year.
- Customers are billed on the basis of rates specified in the contract which are revised on time to time basis.

4.14 Other income

a. Interest

- Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- Interest is accounted on accrual basis on overdue receivables.

b. Dividend

Dividend income is recognized when the right to receive dividend is established.

c. Lease

Lease agreements where the risk and rewards incidental to the ownership of an asset substantially vest with the lesser are recognized as operating lease. Operating lease rentals are recognized on straight line basis as per the terms of agreement in the statement of profit and loss.

4.15 Dividend Distribution

Dividend Distribution / Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

4.16 Forest Plantation & Environment

Expenditure on afforestation including payments made to forest department is written off in the year in which the same is incurred.

4.17 Exploration and Evaluation Asset

The expenditure incurred on survey, prospecting and development of mines till the feasibility of mine is established is capitalised as Exploration and Evaluation asset. Once the mining operation starts, the same is amortized over the period of five years in equal annual installments. In case the operation is abandoned in subsequent period unamortized portion of the deferred expenditure is charged to statement of profit & loss in the same year.

4.18 Mine Closure Liability

The group's obligation for land reclamation and decommissioning of structures consists of spending in accordance with the guidelines from Ministry of Coal, Government of India. The group estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment of the amount and timing of the future cash spending to perform the required work. Mine Closure expenditure is provided as per approved or draft Mine Closure Plans. The estimates of expenses are escalated for inflation at a rate equivalent to the rate considered for contribution in escrow account and then discounted at the same rate, such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation. The group records a corresponding asset associated with the liability for final reclamation and mine closure. The obligation and corresponding assets are recognised at the time of initial recognition. The asset representing the total site restoration cost as per mine closure plan is recognised as a separate item in PPE and amortised over the balance project/mine life. The value of the provision is progressively increased over time as the effect of discounting unwinds; creating an expense recognised as financial expenses.

a. Post Mine Closure Liability

With respect to RSMML

Mine closure liability has been determined on the basis of final/draft mine closure plan and recognised in books of account at the discounted value of liability using the appropriate discount rate and mine life. Corresponding asset is also recognised in books of account and amortised on straight line basis over the life of mine.

With respect to BLMCL

Company provides for annual mine closure cost based on the Guidelines for preparation of Mine Closure Plan issued by the Ministry of Coal, Government of India as amended from time to time. The amount of mine closure charges as per approved Mine Closure Plan is being deposited with escrow account opened with Escrow Agent, Punjab National Bank.

Mine Closure charges recognized in compliance of Ind AS are amortised on the basis of lignite actually extracted during the period with respect to the estimated quantity of extractable mineral reserves over the lease life of respective mines.

b. Progressive Mine Closure Liability

With respect to RSMML

The company accounted for concurrent mine closure expenses, to the extent the expense are incurred in the respective year and the shortfall/ excess expenditure made as compared with the approved prograssive mine closure plant if any are recognised as provision/asset in the Standalone financial statements of respective year. However no assets are recongined where ever no further future economic benefit available for the same.

4.19 Prior Period Items

Errors of material amounts relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively in the statement of profit and loss and balance sheet, to the extent practicable along with change in basic and diluted earnings per share. However where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

With respect to BLMCL

4.20 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

4.21 Derecognition of Intangible Assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

4.22 Borrowing Costs

- Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
- Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

5 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The estimates and judgements used in the preparation of the Consolidated financial statements are continuously evaluated by the group and are based on historical experience and various other assumptions and factors (including expectation of future events) that the group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events that existed as at the reporting date, or that which occured after the date but provide additional evidence about the conditions existing at the reporting date.

a. Property, plant and equipment

- Management assesses the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable.

b. Income taxes

- Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities.
- The group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the Consolidated financial statements.

c. Contingencies

- Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the group as it is not possible to predict the outcome of pending matters with accuracy.

d. Impairment of accounts receivable and advances

- Trade receivables carry interest and are stated at their fair value as reduced by appropriate allowances for expected credit losses. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognised for the expected credit losses.

e. Employee benefit expenses

- Actuarial valuation for gratuity, sick leave and leave encashment liability of the group has been done by an independent actuarial valuer on the basis of data provided by the management and assumptions used by the actuary. The data so provided and the assumptions used have been disclosed in the notes to accounts.

f. Capital spares

- Only those capital spares whose value exceeds Rs. 2,00,000 and have a useful life of more than one year have been considered for the purpose of capitalization under property, plant & equipment in the books of account. Further, all such spares are assumed to have a useful life of 18 months.

g. Discounting of Security deposit, retention money and other long term liabilities

- For majority of the security deposits received from suppliers of goods or contractors and the retention moneys received, the timing of outflow, as mentioned in the underlying contracts, is not substantially long enough to discount. The treatment would not provide any meaningful information and would have no material impact on the Consolidated financial statements.

h. Amortised Cost for Employee Loans

- Employee loans, except for computer loans, have not been recorded using Effective Interest Rate method due to absence of any material impact on Consolidated financial statements and involvement of practical difficulties.

i. Excise Duty as a part of Sales and Other Expenses

- Excise duty and royalty (DMF/NMET) are liability of the group which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of these taxes flows to Company on its own account, revenue includes these taxes.

j. Investment in Equity Instruments

- Investments made in equity instruments have been valued at fair value using the net asset value of the Companies as on the reporting date.

k. Restatement of Prior Period Items

- Material prior period items, have been restated in the previous year financials.

6 PROPERTY PLANT AND EQUIPMENT

(₹ in Lac)

Particulars	Mining Land	Free Hold Land	Lease Hold Land	Buildings	Railway Rakes & Sidings	Plant & Machinery	Furniture & Fittings	Vehicles	Water Supply Plant & Pipeline	Office & Other Equipment
Gross Block										
As at March 31, 2017	**33398.86**	**376.24**	**666.90**	**5090.32**	**2563.41**	**31851.37**	**360.85**	**625.07**	**1706.05**	**708.77**
Additions	41.65	2046.21	0.00	2.74	0.00	6.60	5.41	0.00	0.28	42.25
Deductions	0.00	0.00	0.00	-41.00	0.00	-70.91	-7.35	-19.36	-0.90	-56.70
As at March 31, 2018	**33440.51**	**2422.45**	**666.90**	**5052.06**	**2563.41**	**31787.06**	**358.91**	**605.71**	**1705.43**	**694.32**
Accumulated Depreciation										
As at 31.03.2017	**1604.83**	**0.00**	**141.16**	**2766.82**	**2435.27**	**19763.09**	**321.56**	**537.25**	**1521.86**	**649.57**
Depreciation	178.19	0.00	9.02	181.01	0.00	741.45	10.36	22.91	26.32	32.49
Other Adjustments	0.00	0.00	0.00	-29.18	0.00	-8.38	-7.06	-18.11	-0.86	-55.76
As at 31.03.2018	**1783.02**	**0.00**	**150.18**	**2918.65**	**2435.27**	**20496.16**	**324.87**	**542.04**	**1547.32**	**626.30**
Net carrying amount										
As at 31.03.2017	31794.03	884.55	525.73	2898.60	128.14	12609.37	43.95	94.60	184.20	64.32
As at 31.03.2018	31657.48	2422.45	516.71	2133.41	128.14	11290.90	34.04	63.66	158.11	68.02

(₹ in Lac)

Particulars	Electrical Equipment & Inst.	Laboratory Equipments	Wind Power Plant	Dam	Tailing Dam	Road	Solar Power Plant	Machinery in stores/ at site	Machinery Spares	Total PPE
Gross Block										
As at March 31, 2017	**2432.81**	**52.60**	**53119.97**	**546.42**	**922.14**	**2601.04**	**2675.76**	**0.95**	**760.30**	**140459.83**
Additions	6.67	15.05	0.00	0.00	0.00	13.50	0.00	0.21	178.86	**2359.42**
Deductions	-4.75	-2.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**-203.44**
As at March 31, 2018	**2434.74**	**65.18**	**53119.97**	**546.42**	**922.14**	**2614.54**	**2675.76**	**1.16**	**939.16**	**142615.81**
Accumulated Depreciation										0.00
As at 31.03.2017	**2191.93**	**45.60**	**38562.78**	**525.43**	**896.15**	**1902.03**	**701.38**	**0.00**	**386.51**	**74953.22**
Depreciation	48.09	3.68	1789.41	0.00	0.00	295.68	251.34	0.00	352.24	**3942.21**
Other Adjustments	-4.29	-2.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**-125.77**
As at 31.03.2018	**2235.73**	**47.15**	**40352.19**	**525.43**	**896.15**	**2197.71**	**952.72**	**0.00**	**738.76**	**78769.66**
Net carrying amount										0.00
As at 31.03.2017	247.05	7.00	14557.19	20.99	25.99	699.01	1974.38	0.95	373.78	**67133.83**
As at 31.03.2018	199.01	18.03	12767.78	20.99	25.99	416.83	1723.04	1.16	200.40	**63846.15**

With respect to RSMML

6.1 Freehold land includes ₹ 62.16 Lakhs (Prev Year ₹ 62.16 Lakhs) located at Bhatt Ji Ki Bari, Udaipur given on conditional lease of Rs.1 P.a to American International Health Management System for 99 years. In substance there is no transfer of risk and reward to the lessee as the land has an indefinite useful life and the present value of minimum lease payment does not corresponds to the fair value of the land.

6.2 The cost of mining land includes ₹ 1,718.17 Lakhs (Prev Year ₹ 1,718.17 Lakhs) deposited with the office of Collector, Nagaur for disbursement to the land owners in respect of acquisition of 7509 bighas of land for mining of Lignite at Nagaur vide Land Acquisition Award dated 19.09.2000 issued by Land Acquisition Officer (SDO, Nagaur). Out of the above deposited amount, the District Collector, Nagaur has disbursed an amount of ₹ 1,648.21 Lakhs (Prev year ₹ 1,648.21 Lakhs) so far.

6.3 In compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/2012/3999 dated 08/05/2015 for acquisition of mining land 48.29 hectare at Jhamarkotra, Dhamdhar,Parola and Mamadev villages at a compensation of ₹ 2,351.21 Lakhs . Out of total amount ,land of Rs. 2046.29 Lakhs have been capitalised in the year 2017-18 .

6.4 The cost of mining land includes ₹ 152.71 Lakhs (Previous year ₹ 152.71 Lakhs). The land acquired in compliance of original award issued by Dy. Collector, Girwa, Udaipur bearing no. ACQ/1/02/4953 – 55 dated 30.6.2004 and modifications thereof issued in the financial year 2006-07 for acquiring 56 hectare of land at Jhamarkotra, Lakkadwas, Sameta and Dhamdhar villages. Out of the total compensation, only 42 land owners took payment of ₹ 54.19 Lakhs (Previous year ₹ 54.19 Lakhs). The balance amount has been deposited with the court of Civil Judge Sr. Division Udaipur in the form of Fixed Deposit Receipts. The land acquisition proceeding and mutation are in progress.

6.5 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 26,869.25 Lakhs (Prev Year ₹ 26,869.25 Lakhs) to the Company for purchase/acquisition of Land for Mining of Lignite at Kapuradi villages in the state of Rajasthan. The proceedings for purchase/acquisition of Land have been initiated and the amount of ₹ 26,732.42 Lakhs (Prev Year ₹ 26,732.42 Lakhs) has been paid to Land acquisition Officer for acquisition of land and ₹ 43.48 Lakhs (Prev Year ₹ 43.48 Lakhs) has been refunded back to JV Company.

The mutation of land has been done in the favour of RSMML.Amount paid /payable towards land is ₹ 26,912.88 Lakhs (Prev Year ₹ 26,912.88 Lakhs). The Government of Rajasthan through its letter dated 14.09.2012 has not acceded transfer of ownership of land from RSMML to its JV Company (BLMCL). However the possession of the land along with the mining rights rest with BLMCL and therefore the economic benefit from the usage of land will not flow to RSMML. Further in view of Para 9 of Annexure to the 'Guidelines For Preparation of Mine Closure Plan' dated 27th August '2009 (Similar to the para 8.1 of the revised guidelines dated 7th January'2013), said land is to be reclaimed and can be surrendered to the State Government only after obtaining a mine closure certificate from coal controller to the effect that the protective reclamation and rehabilitation works in accordance with the approved mine closure plan/final mine closure plan have been carried out .

Accordingly RSMML will neither get any economic benefit from the said land nor the control of it. In absence of both these factors the said land does not satisfy the qualifying criteria for recognition of asset as mentioned in Para 49 clause (a) of the 'Framework for the preparation and presentation of financial statements' issued by the Institute of Chartered Accountants of India. Also Company is not under any obligation to repay the amount received from BLMCL for the purchase of said land as the possession of land rests with it. Hence the deposit received from BLMCL is not a liability as defined in Para 49 clause (b) of the 'Framework for the preparation and presentation of financial statements' issued by the Institute of Chartered Accountants of India. Accordingly Company has not treated such amount as asset and liability in its financial statements. However, since the title of the land at Kapurdi mutated to RSMML same is shown at a nominal value of ₹1 in the Balance Sheet.

6.6 As per the terms of Joint Venture Agreement dated 27.12.2006 entered between Raj West Power Limited, Jaipur (RWPL) and Company, the Joint Venture Company has paid a sum of ₹ 70,825.55 Lakhs(Prev Year ₹ 70,825.55 Lakhs) to the Company for purchase/acquisition of Land for Mining of Lignite at Jalipa villages in the state of Rajasthan. The proceedings for purchase/acquisition of Mining Land have been initiated and the amount of ₹ 67,436.92 Lakhs (Prev year ₹ 67,045.99 Lakhs) has been paid to Land acquisition Officer for acquisition of land upto 31.03.2017. The progress of land acquisition and mutation in favour of Company is in process . Since mutation of the entire land in favour of RSMML has not been done and also Company has not received any directions about transfer of land to BLMCL , no accounting adjustments as per note 6.5 is being made. The mining lease has been trasferred to BLMCL on 25.05.2015.

6.7 The cost of mining land includes ₹ 4,549.11 Lakhs being value of 4215.75 Bigha of land capitalised upto 31.03.2017 at Gurah West as per award passed for acquisition of land. Out of 4215.75 Bigha, 4082.36 Bigha of land has already been acquired and remaining 133.39 Bigha of land valuing ? 190.99 Lakhs is yet to be acquired and payment is to be made.

6.8 The cost of mining land includes ₹ 7856.20 Laks (prev year ₹ 7814.55 Laks) being value of 2823.85 Bigha of land capitalised during the year 2013-14 at Giral phase III as per award passed for acquisition of land. Out of 2823.85 Bigha, 2699.50 Bigha of land has already been acquired and remaining 124.35 Bigha of land valuing ₹ 335.70 Lakhs is yet to be acquired and payment is to be made.

6.9 Various assets taken over by erstwhile RSMDC from RIMDC (now RIICO) on 31.10.1979 have not yet been registered in the name of the Company.

6.10 Various assets taken over by the Company from erstwhile RSMDC consequent upon its merger with the Company have not yet been registered in the name of the Company. The process of registration of such assets is in progress.

6.11 The Company has submitted a solvency security dated 25.02.2008 certificate to the Jodhpur Bench of Hon'ble High Court Rajasthan in favour of North Western Railway & other Railway Authorities Jodhpur on assets of the Company in a case bearing no.D.B.SAW no. 697/2008 filed by the Company against Railway relating to payment of punitive charges amounting to ₹ 760.57 Lakhs imposed on the Company.As per directions of the Court the Company has deposited a sum of ₹ 321.83 Lakhs.

7 OTHER INTANGIBLE ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Gross Carrying Value:		
Rights under Implementation and JV Agreement	950.35	270.31
Surface Rights	193,282.44	29,116.88
Other Intangible	18,532.41	9,257.03
Accumulated amortisation and impairment for the year:		
Rights under Implementation and JV Agreement	34.42	16.53
Surface Rights	3,815.37	1,780.13
Other Intangible	1,003.69	396.07
Total	**207,911.72**	**36,451.50**

With respect to BLMCL

7.1 Other Intangible Assets comprises of assets recognised as per Ind AS for mine closure charges & upfront fees for Rupee Term Loan..

8 INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Rights under the Implementation and Joint Venture Agreement	680.03	680.03
Surface Rights of Jalipa Land	70,825.55	70,825.55
CWIP-NH Diversion Expenses	15,990.00	
Mine Closure Charges	1,254.90	10,059.16
Less: Transferred to Other intangible assets	88,750.48	-
Total A	-	**81,564.74**
PRE-OPERATIVE EXPENDITURE DURING CONSTRUCTION PERIOD & TRIAL RUN	68,230.74	**55,927.39**
Manpower Cost	44.97	71.17
Mining Lease Expenses	-	-
Land Development Expenses	0.54	26.37
Legal and Professional Charges	6.75	1.12
Advertisement Expenses	-	0.59
Travelling Expenses	-	0.27
General Expenses	1.39	44.83
Office Rent	1.42	2.59
Labour Charges	6.45	12.94
Finance Charges	188.18	16.93
Finance Charges (Ind AS) Jalipa	148.56	24.31
Interest During Construction Period	7,778.81	12,767.84
	76,407.80	**68,896.35**
Less: Interest Income earned	312.69	532.03
	-	-
Less:- Amount Transferred to Security Deposit	-	3.00
Less:- Pre-Operative Expenses Transferred to Respective GL	-	14.62
Less: Amount Reverse from Pre-Operative Expenses	-	-
Less: Amount Transferred to Intangible Assets	76,095.11	82.06
Less: Amount Transferred to Fixed Assets	-	33.90
Amount Transferred to Mining	-	-
Total B	-	**68,230.74**
Total	-	**149,795.48**

9 NON CURRENT FINANCIAL ASSET- INVESTMENT

(₹ in Lac)

	Particulars	As at March 31, 2018	As at March 31, 2017
	Quoted investments		
(a)	**Under buy back arrangement**		
(i)	1,43,000 Equity Shares In Mewar Marbles Ltd of ₹ 10/- Each Fully paid-up. Last quoted ₹ 7/-Per Share at Mumbai Stock Exchange in 1996-97 (Previous year 1,43,000 shares)	14.30	14.30
	Less :Diminution in value	-14.30	-14.30
	(Diminution in value to Rs 1)	-	-
(ii)	3,00,000 Equity Shares in Nihon Nirman Ltd of Rs. 10/- each fully paid-up.last quoted at ₹ 2/-per share at Kolkata Stock Exchange in Aug.1997 (Previous year 3,00,000 shares)	30.00	30.00
	Less :Diminution in value	-30.00	-30.00
	(Diminution in value to Rs 1)	-	-
(b)	**Others**		
(i)	1,72,500 Equity Shares In Nihon Nirman Ltd of ₹ 10/- each fully paid-up.last quoted at ₹ 2/-per share at Kolkata Stock Exchange in Aug.1997 (Previous year 1,72,500 shares)	17.25	17.25
	Less :Diminution in value	-17.25	-17.25
	(Diminution in value to Rs 1)	-	-
	Unquoted investments		
	Investment in equity instruments		
(c)	**Associate Companies**		
(i)	9,000 Equity Shares in Rajesh Mineral Inds. Ltd Ltd. of ₹ 100/- Each Fully Paid up (Previous year 9,000 shares)	9.00	9.00
	Less :Diminution in value	-9.00	-9.00
	(Diminution in value to Rs 1)	-	-
(d)	**Joint venture**		
(i)	24500 Equity Shares in Rajasthan Rashtriya Chemicals & Fertilisers Limited Ltd. of ₹ 10/- Each Fully Paid up (Previous year 24500 shares)	2.45	2.45
	Less : Diminution in value/written off	-2.45	-2.45
	(Diminution in value to Rs 1 in finacial year 2014-15)	-	-
(ii)	65000000 equity shares of Rajasthan State Gas Limited (formerly known as RSPCL-GAIL Gas Limited) of Rs. 10 each fully paid up (Previous year 17025000 equity shares of Rs. 10 each fully paid up)	6,015.47	

(₹ in Lac)

	Particulars	As at March 31, 2018	As at March 31, 2017
(e)	**Other non current investments**		
(i)	10,000 Equity Shares in Mayur Inorganics Ltd. of ₹ 10/- Each Fully Paid-up (Previous year 10,000 shares)	10.12	9.52
(ii)	3,00,000 Equity Shares (including 1,50,000 Bonus Shares in Ostwal Phoschem (India) Limited ₹ 10/- Each Fully Paid up) (Previous year 3,00,000 shares (including 1,50,000 Bonus shares) of ₹ 10/- Each Fully Paid up)	144.29	173.85
(iii)	Investment in Employees Leave Encashment Scheme from LIC	4,248.59	3,942.87
	Total	**10,418.47**	**4,126.24**

With respect to RSMML

9.1 The Company has taken up the " Rajasthan State Mines & Minerals Limited - Employee Group Leave Encashment Scheme" (RSMML EGLES) from Life Insurance Corporation against the Leave Encashment Liability. A sum of ₹ 4248.59 Lakhs (Previous Year ₹ 3,942.87 Lakhs) has been invested under this scheme. The intention of holding this investment is of long term.

10 LOANS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Loans to Employees (Unsecured)		
Unsecured and Considered Good	591.79	690.58
Unsecured and Considered doubtful	0.56	0.56
Less: Provision	-0.56	-0.56
Total	**591.79**	**690.58**

11 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured and considered Good		
Security deposits	906.87	959.35
Interest accrued on FDRs/NSCs	740.51	700.24
Northen Western Railway		
Considered good		
Considerd doubtful	86.28	86.28
Less: Provision	-86.28	-86.28
Claims recoverable*		
Considerd good	1,724.56	1,724.56
Other Bank Balances ' (Maturity period more than 12 months)	-	9.85
Total	**3,371.94**	**3,394.00**

With respect to RSMML

11.1 * Claims recoverable includes an amount of ₹ 1,724.56 Lakhs (Prev. Year ₹ 1,724.56 Lakhs) recoverable from various contractors engaged in transportation and loading of limestone at Railway siding on account of punitive/penal/dead freight levied by the Railways on under loading/overloading of limestone. The contractors have filed Court cases against the company which are yet to be decided.

12 OTHER NON CURRENT ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Others		
Considerd good	85.47	549.94
Considerd doubtdul	15.73	15.73
Less: Provision	-15.73	-15.73
Minning property	1,863.15	1,940.81
Capital Advance (Considered Good)	13,210.52	28,828.25
Prepaid Expenses	200.90	132.65
Exploration and evaluation asset	778.28	778.28
Income tax deposits	13,274.15	12,506.34
Non Judicial Stamps in hand	0.04	0.04
Prepayments	218.23	
Payment under Protest for Income Tax	858.67	754.00
Payment under Protest for VAT	97.37	97.37
Total	**30,586.78**	**45,587.67**

13 INVENTORIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Finished Goods		
Rock Phosphate	25,452.14	22,825.26
Beneficiated Rock Phosphate	4,708.09	5,149.74
Rajphos	188.95	214.41
Gypsum	24.65	199.09
Lime stone	249.32	582.46
Bio Diesel and by products	1.90	1.90
Lignite	5,522.55	3,258.70
Stores and Spares	1,603.99	1,679.49
(Including in transit Rs 12.50 lakhs) (Previous year Rs. 81.28 lakhs)		
Total	**37,751.59**	**33,911.05**

With respect to RSMML

13.1 The Company had used a small percentage of secondary ore of Rock Phosphate for beneficiation in its Industrial Beneficiation Plant on trial basis from time to time. The Secondary ore of Rock Phosphate is a very low grade mineral containing high silica and is being treated as waste material having no value. Since, the usability & economic viability of the secondary ore of Rock Phosphate for beneficiation is yet to be established, the same is being valued at zero as per the prevailing system of valuation of Rock Phosphate from the financial year 2008-09.

13.2 The Company was having 112936 CERs and 19643 VERs on 31.03.2018 (112936 CERs and 19643 VERs in hand on 31.03.2017) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

13.3 The company was having 20160 REC on 31.03.2018 (12605 REC on 31.03.2017) which have been treated as part of inventory and accordingly valued at Nil being lower of cost incurred for certification or net realisable value.

14 TRADE RECEIVABLES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Considered Good	11,576.52	13,726.88
Unsecured considered good	8,512.59	8,620.32
Considered Doubtful	698.42	695.67
Less: Provision	-698.42	-695.67
Total	**20,089.11**	**22,347.20**

15 CASH AND CASH EQUIVALENTS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with bank		
In Current Account	11,458.95	7,727.24
In Deposit Account	8,869.80	4,863.79
Cash in hand	1.89	3.75
Others		
Balances with Treasury in P. D. Account	78,486.88	80,505.42
Total	**98,817.52**	**93,100.20**

With respect to RSMML

15.1 Cheques amounting to ₹ 1,466.87 Lakhs were issued to respective land acquisition officers but not presented for payment till 31.03.2018 of land compensation. These land owners went to the courts of law against the compensation awarded. The cheques given to such land owners are submitted before the respective Courts in support of documentary evidence of making payment and have been marked as "Exhibit" in the case file. Matter being subjuidice hence no adjustment on account of stale cheque liability provided in the books of accounts. These cheques shall be revalidated/cancelled as per the decision of the Courts.

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unpaid dividends	1.91	1.59
Earmarked balances with banks	14,920.38	8,801.51
Escrow account for Mine Closure Fund	12,808.93	9,537.71
Total	**27,731.22**	**18,340.80**

With respect to RSMML

16.1 Earmarked balances with bank includes Fixed deposit of of ₹ 490.69 Lakhs (Prev year ₹ 357.73 Lakhs) with maturity of more than twelve months..

16.2 In compliance of directives given by the competent courts in some cases of SBU-PC lignite, bankers have retained a sum of ₹ 270.25 Lakhs (Prev. year ₹ 252.02 Lakhs) in the form of FDRs which are in lien with them to be used for the specified purposes.

16.3 The company has also opened Escrow Accounts for both Sonari & Giral Mines with banks and a total sum of ₹ 5468.60 Lakhs (Prev year ₹ 3,941.60 Lakhs) has been deposited till 31.03.2018 in both the accounts. Mine Closure plan of Kasnau and Matasukh mines are yet to be approved. The company is having sufficient funds to meet its obligation towards mine closure expenses.

17 LOANS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
UNSECURED		
Considered Good	216.64	242.60
Considered Doubtful	1.28	1.28
Less: Provision	-1.28	-1.28
Total	**216.64**	**242.60**

18 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest accrued on FDRs/NSCs	503.58	293.18
Claims Recoverable (Including Duty Drawback Receivables)		
Considered good	22.07	27.32
Considered doubtfull	50.86	50.86
Less: Provision	-50.86	-50.86
Total	**525.65**	**320.50**

19 CURRENT TAX ASSET (NET)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax Deposits	8,309.45	6,112.52
Less: Provision for income tax	8,770.38	6,440.71
Total	-	-

20 OTHER CURRENT ASSETS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance to Suppliers		
(a) Unsecured, considered good	650.50	200.30
(b) Doubtful	82.72	82.72
Less: Provision for doubtful debts	-82.72	-82.72
Others		
Considered good	5,201.30	5,588.86
Considered doubtful	45.53	45.53
Less: Provision for doubt full debts	-45.53	-45.53
Prepaid expenses	127.92	85.49
Machinery Held for Sale	126.23	124.76
TDS deducted by Banks on Interest Earned	-	14.89
Advance to Contractors & Others	-	287.47
Cenvet credit	-	20.47
Prepayments	197.75	23.30
Balances with government authorities	2,305.46	321.38
Total	**8,609.16**	**6,666.93**

With respect to RSMML

20.1 Others short term loans and advances includes advances to others amounting ₹ 67,436.92 Lakhs(Prev year ₹ 67,045.99 Lakhs) being amount paid to Land acquisition officer for acquisition of land at Jalipa Village in state of Rajasthan.

20.2 Others short term loans and advances includes ₹ 903.77 Lakhs (Previous year ₹ 936.29 Lakhs) being amount recoverable from PHED,Nagaur for distribution of desalinated water by M/S Nagaur Water Supply Company Pvt Ltd.

21 EQUITY SHARE CAPITAL

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
AUTHORISED		
8,00,00,000 Equity shares of ₹ 10/- each (Previous Year 8,00,00,000 Equity Shares of ₹ 10/- each)	8,000.00	8,000.00
ISSUED, SUBSCRIBED AND PAID-UP		
7,75,51,500 Equity Shares of ₹ 10/- each fully paid-up	7,755.15	7,755.15
(Previous year 7,75,51,500 Equity Shares of ₹ 10/- each fully paid-up)		
	7,755.15	**7,755.15**

21.1 Details of shares held by Shareholders holding more than 5% Shares

(ifigures in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Name of Shareholder	**No. of Shares (% held)**	**No. of Shares (% held)**
Government of Rajasthan through Governor of Rajasthan	775.42 (99.99)	775.42 (99.99)

21.2 The reconciliation of the number of shares outstanding is set out below-

(₹ in Lac)

Particulars	2017-18	2016-17
Equity shares at the beginning of the year	775.52	775.52
Add: Issued during the year	-	-
Less : Shares cancelled on buy back during the year	-	-
Equity shares at the end of the year	775.52	775.52

21.3 Rights, preferences and restrictions attached to shares

The Company has one class of equity share having a par value of ₹ 10 per share. Members of the Company holding equity share capital therein have a right to vote on every resolution placed before the Company and right to receive dividend. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing AGM.

22 OTHER EQUITY

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Reserve	**2,103.93**	**2,103.93**
General Reserve (as per last balance sheet)	185,919.88	185,919.88
Add: Transferred from Retained Earnings	-	-
	185,919.88	**185,919.88**
Retained Earnings		-
As per last balance sheet	8,489.14	2,285.15
Add: Profit for the year	14,316.66	10,871.64
Appropriations		
Transferred to General Reserves	-	-
Dividend	-3,877.58	-3,877.58
Dividend Distribution Tax	-789.38	-789.38
IndAS Adjustments	-	-0.70
Prior Period Adjustments as per IndAS	12.31	-
	18,151.15	**8,489.14**
Other Comprehensive Income Reserve		-
As per last balance sheet	78.19	362.44
Add: Other Comprehensive Income for the year	-472.11	-284.25
	-393.92	**78.19**
Total	**205,781.04**	**196,591.14**

22.1 Nature of Reserves

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in Other Comprehensive Income(OCI) . OCI is classified into i). Items that will not be reclassified to profit and loss ii). Items that will be reclassified to profit and loss.

General Reserve represents a statutory reserve that is in accordance with Companies Act wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer an amount before the company can declare any dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

Capital Reserve includes the amount arise on account of amalgamation of company with Rajasthan State Mineral Development Corporation Limited.

23 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Other payables	624.60	681.36
Liabilities for Interest on Subordinated Loan from Raj WestPower Limited	34,781.03	29,687.62
Total	**35,405.63**	**30,368.98**

24 BORROWINGS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured Borrowings		
Rupee Term Loan		
From Banks-Gross	98,202.57	104,716.06
From Financials Institutions	12,576.00	-
Less - Amount disclosed under the head (other financial liabilities)	-2,390.16	-7,590.05
Unsecured Borrowings		
Loans from related parties	-	-
Other Loans- Subordinated Debt from Raj WestPower Limited	56,764.27	54,644.27
Total	**165,152.68**	**151,770.28**

With respect to BLMCL

24.1 Details of Security:

The The company refinanced its entire outstanding Term Loan Facility of ₹ 1030.30 Crores (Sanctioned limit ₹ 1,260 Crores, dated 11th Feburary 2012 by consortium of lenders, with lead bank PNB) during september 2017. The refinancing along with financing for additional capital expenditure was carried out by availing aggregate Rupee Term Loan sanction of ₹ 1,601.58 Crores from a consortium of lenders lead by PNB for door to door tenor of about 20.50 years. Rupee Term Loan amounting to ₹ 1,124.03 Crores (Previous year ₹ 1,181.50 Crores) is availed from consortium of banks, lead by PNB. The loan is secured by first pari passu charge over:

- All movable assets of the company in relation to the Kapurdi and Jalipa Mines (Project), including without limitation, plant and machinery, machinery spares, tools and accessories, fixtures, furniture, vehicles and other movable assets, whether installed and/or fastened to earth, shall hereafter from time to time during the continuance of the security of the Facility be brought into or upon be stored or be in or all teh company's premises, warehouses, stockyards and godowns or those of the agent, affiliates, associates or representatives or at various worksites or whenever else the same may be held by any party including those movable assets of the company in relation to the Project.
- All the rights, title, interest, claim and benefit of the Company in the Project assets and Project

documents, clearances, contracts permits/approvals both present and future, which can be legally assigned and as may be permissible by the Government, including without limitation the receivables, book debts, operating cash flows, cash in hand, commissions and revenues of whatsoever nature and wherever arising.

- All intagibles of the Company pertaining to the Project, including but nit limited to goodwill and intellectual property rights, present and future.
- All monies receivable pertaining to the Project (whether evidences as book debts or otherwise) due and to become due to the Borrower at any time under contracts deeds or under law and any revenues of whatsoever nature and whenever arising, present and future.
- The uncalled equity capital of the Company. Present and future.
- All bank accounts in relation to the Project, including without limitation, the Trust and Retention Account.
- All insurance Contracts and/or Insurance Proceeds in relation to the Project.
- Pledge of equity shares aggregating to 49% of the equity share capital of the Company held by RWPL.

24.2 Terms of Repayment of Loan:

(a) Outstanding amount (including Current Maturity of Long Term Loan) of ₹ 1,109.77 Crores (Previous Year ₹ 1,049.20 crores,) as rupee term loan is repayable in 83 Structured Installments which commenced from 30th September 2017 till 31st March 2038.

(b) Outstanding amount of ₹ 567.64 Crores (Previous Year ₹ 546.44 Crores, of subordinated debt from RWPL is repayable after repayment of rupee term loan.

(c) Rupee Term Loan is after neting off balance of unamortised upfront fees of ₹ 1.98 Crore paid in the financial year 2017-18, kept as deferred payment to comply with requirement of Ind AS and is amortised on effective interest rate method.

25 PROVISIONS (NON CURRENT)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employees benefits		
Provision for Leave Encashment	2,928.99	2,670.27
Provision for Sick Leave	483.88	453.94
Provision for Gratuity	-	-
Provision for Mine Closure	33,331.55	31,167.38
Total	**36,744.43**	**34,291.59**

With respect to RSMML

25.1 Mine closure liability of some mines are immaterial based on the conditions existing on the balance sheet date and accordingly the Company did not recognised the liability of those mines.

26 DEFERRED TAX LIABILITY

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liabilities	4,157.72	4,937.05
Deferred Tax Assets	3,579.49	2,029.79
Total	**578.24**	**2,907.26**

27 TRADE PAYABLES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Micro, small and Medium Enterprises	14.81	12.80
Others	14,910.36	14,095.64
Total	**14,925.17**	**14,108.44**

27.1 In compliance of the requirement under "The Micro, Small and Medium Enterprises Development Act, 2006" the Company has been making request to its vendors to provide their status under "The Micro, Small and Medium Enterprises Development Act, 2006". On the basis of the information received from various supplier/vendor the requisite information is as under-

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Delayed payments due - Principal	14.81	12.80
Interest due	0.75	0.58
Total interest paid on all delayed payments during the year under the provisions of the Act	-	
Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.75	0.58
Interest accrued but not due	-	-
Total Interest due but not paid	0.75	0.58

With respect to BMLCL & RSPCL

27.2 There are no amounts due to Micro, Small and Medium Enterprises suppliers on account of principal and/or interest on suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

28 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Unclaimed Dividend*	1.91	1.59
Current maturities of long-term debt	2,390.16	7,590.05
Security Deposits	2,639.43	1,717.83
Retention	1,618.40	2,773.05
Other Payables	9,991.14	10,310.16
Liability for expenses	0.41	172.94
Creditors for other liabilities		
(a) Creditors for capital supplies/services	14.10	20.57
(b) Retention Money	9.55	79.04
Total	**16,665.10**	**22,665.22**

* There is no amount due & outstanding as at balance sheet date to be transferred to Investor Education & Protection Fund as per Section 125 of the Companies Act 2013.

With respect to RSMML

28.1 As royalty is chargeable / payable on the mineral taken out from mining areas, the Company is not providing any liabilities towards royalty chargeable / payable on the minerals lying in the mining areas.

28.2 In compliance of Gazette notification dated 10th April 2003, Royalty on Rock Phosphate & Gypsum was being paid to DMG at prescribed rate on the monthly benchmark price declared by the Indian Bureau of Mines(IBM) of these minerals. Since IBM is declaring the bench mark prices after a gap of six-seven months which are effective retrospectively, there remains some difference in the amount of royalty collected and payable to DMG on Rock phosphate as per the IBM formula. The Company had issued demand letters in earlier years to its customers for Rock Phosphate for payment of differential royalty in the cases where amount of royalty recovered was short and the customers have filed cases in Jodhpur bench of Hon'ble High Court, Rajasthan, against such demand letters. The court has decided the cases in june 2017 , stating that company can demand the amount of Royalty short collected. In compliance of the decision of the Hon'ble High Court the company has initiated necessary action for recovery of amount of royalty in dispute. However against the order of Hon'ble High Court few customers have filed cases in Hon'ble Supereme Court. The accounting treatment would be made based on the outcome of the cases. In the mean time assessment of royalty on rockphosphate has been done by DMG upto the F.Y. 2012-13.

28.3 The Government of India vide Gazette Notification dated 17.09.2015 has notified the Mines and Minerals (Contribution to District Mineral Foundation) Rules 2015 according to which every holder of mining lease or a prospecting licence-cum- mining lease, shall in addition to the royalty, pay to the District Mineral Foundation(DMF) of the district in which the mining operations are carried on an amount equal to 10% of royalty paid in terms of the Second Schedule to the Mines and Minerals (Development and Regulation) Act 1957 for mining

leases granted on or after 12th January 2015 and 30% of royalty paid in terms of the First Schedule to the Mines and Minerals (Development and Regulation) Act 1957 in respect of mining lease granted before 12th January 2015. These Rules were made effective retrospectively from 12.01.2015.

Further, the Government of Rajasthan vide its notification dated 31.05.2016 had made contribution to DMF applicable to all the minerals and the Rules deemed to have come into force on the 12th January 2015. The matter of making contribution to DMF made effective retrospectively from 12.01.2015 is under litigation with Hon'ble Delhi High Court. The company had also sought legal opinion on the matter and according to the opinion received, the company should collect and deposit the contribution of DMF w.e.f. 31.05.2016 only because the DMF has been formed only on 30.05.2016 and not on 12.01.2015. It was also opined that the collection of contribution and deposition in the DMF thereof for the period 12.01.2015 to 30.05.2016 should be kept in abeyance till the final decision of Hon'ble Delhi High Court is received.

Since the matter of making contribution to DMF was related to many states, the issue was dealt by Hon'ble Supreme court, which in its order dated 13/10/2017 has directed that the contribution is to be deposited w. e. f. 17.09.2015 in case of all the minerals of the company on which it is applicable except Lignite. In case of Lignite, contribution to DMF is applicable w. e. f. 31.05.2016 as per the above referred order of the Hon'ble Supreme court. The company has done the accounting treatment accordingly.

28.4 **National Mineral Exploration Trust**

The Central Government vide its Gazette Notification dated 14.08.2015 had notified National Mineral Exploration Trust Rules 2015. These Rules were made effective from 12.01.2015. As per the said Rules, every holder of mining lease or a prospecting licence-cum- mining lease, in addition to the royalty pay to the National Mineral Exploration Trust (NMET) a sum equal to 2% of the royalty payable for the mineral in terms of Second schedule of the Mines & minerals (Development & Regulation) Act,1957. Since these Rules were made effective retrospectively w.e.f. 12.01.2015 ,in line with the stand taken in case of making contribution in DMF as per note 25.3 above, the company was of the opinion that payability of contribution in NMET, retrospectively would not arise. Consequent upon the order dated 13/10/2017 of Hon'ble Supreme court given in respect of effective date of applicability of making contribution to DMF as dealt in note no. 25.3 above, the company on the similar lines has made the contribution to NMET w. e. f. 14.08.2015 and made the accounting adjustment accordingly.

29 OTHER CURRENT LIABILITIES

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory Liabilities	11,476.10	10,927.77
Advances from Customes & Others	3,745.39	3,524.16
Lignite Extraction charges payable	3,687.94	2,021.97
Others payable	3,401.51	1,216.41
Subsidiary Companies	-	-
Total	**22,310.94**	**17,690.31**

30 PROVISIONS

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for employees benefits		
Leave encashment (transferred from long term)	429.54	354.37
Sick Leave	123.32	111.89
Gratuity	1,988.18	757.81
Other Provisions	3,499.89	
Provision for income tax		
Provision for progressive Mine closure	1,239.74	1,250.56
Total	**7,280.67**	**2,474.64**

With respect to RSMML

30.1 As per the guidelines issued for preparation and approval of Mine Closure Plan, by the Ministry of Coal, Government of India, the company has got the mine closure plan approved for Sonari and Giral mines whereas Draft mine closure plan for Matasukh mines has been prepared but the same is yet to be approved.

While preparing the Mine Closure Plans, the expenses to be incurred on various activities related to the mine closure were estimated based on the information and data available at the time of preparation of the Mine Closure Plans. However, with the passes of time and actual requirement of work, the actual expenses are expected to be in variance to the estimated expenses.

As per the system prevailing in the company, some of the activities related to mine closure are being carried out by the mining contractor as per contract conditions and major part of expenses incurred on such activities are being charged in the statement of profit and loss as contractual expenses.

Previously company was providing concurrent mine closure expenses in the statement of profit and loss as and when incurred and was creating provision/ asset for any expense incurred short/excess with respect to the estimated expenses on respective activity as considered in the approved/draft mine closure plan.

30.2 In the current financial year, considering the fact that the activity wise expenses considered in approved /draft mine closure plans are only estimations which are varying subsequently due to various reasons, the company has provided concurrent mine closure expenses actually incurred including those expenses which are being charged as contractual expenses, in the statement of profit and loss account as and when incurred and creating provisions for activity wise shortfall in the expenses to be incurred with respect to the estimated expenses as considered in the approved/draft mine closure plan and excess provision of Rs. 346.49 Lakhs made up to the financial year 2016-17 has been written back in the current financial year. However no assets have recongined during the year as no further future economic benefit available for the same

30.3 As per IND AS 19 "Employees Benefits", the disclosures of Employee benefits as defined in the IND AS is given below:

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Employer's Contribution to Provident, Pension Funds and Other Funds	1135.51	1083.03

30.4 The Company's Provident Fund is exempted under Section 17 of Employees' Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good of deficiency, if any, incurred by the trust on account of difference in declared rate and income earned or other reasons.

30.5 **Gratuity (Funded)**

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Amount in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	11,834.58	10,763.16
Fair value of Plan Assets	9,846.40	10,005.35
Funded Status- (Surplus)/Deficit	1,988.18	757.81
Liability/(Asset) recognised in the Balance Sheet	**1,988.18**	**757.81**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Current/ Non Current Benefit obligation/asset	As at March 31, 2018	As at March 31, 2017
Current Liability	-	-
Non Current Liability	1,988.18	757.81
Liability/(Asset) recognised in the Balance Sheet	**1,988.18**	**757.81**

III Expense recognised during the year in the Statement of Profit and Loss

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	688.59	656.83
Interest Cost	711.04	718.39
Expected Return on Plan Assets	-657.62	-731.45
Total Expense/(Income) included in "Employee benefit Expense"	**742.02**	**643.76**

IV Expense recognised during the year in the Statement of Other Comprehensive Income(OCI)

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Amount recognised in OCI, Beginning of period	136.37	(323.32)
Remesurements due to:	-	
Effect of change in financial assumptions	-417.48	333.22
Effect of experience adjustments	1,208.40	240.40
Actuarial (Gains)/Losses	790.65	573.62
Return on plan assets (excluding interest)	97.63	113.93
Total remeasurements recognized in OCI	**693.02**	**459.70**
Amount recognized in OCI, End of Period	**829.40**	**136.38**

V Return on Plan Assets

(₹ in Lac)

Actual Return on Plan Assets	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest Income Plan Asset	657.62	731.45
Actuarial Gains/(Losses) on Plan Assets	97.63	113.93
Actual Return on Plan Assets	**755.25**	**845.38**

VI Reconcilliation of amounts in Balance Sheet

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Balance Sheet (Asset)/Liability	757.81	(170.15)
Total Expense/(Income) recognised in P&L	742.02	643.76
Actual Employer Contribution	-204.66	(175.50)
Total Remeasurements Recognised in Other Comprehensive (Income)/Loss	693.02	459.70
Acuisition/ Business Combination/ Divestiture	-	-
Closing Balance Sheet (Asset)/Liability	**1,988.18**	**757.81**

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined Benefit Obligation, Beginning of Period	10,763.16	10,182.06
Current Service Cost	688.59	656.83
Interest Cost	711.04	718.39
Actuarial (Gains)/Losses	790.65	573.62
Actual Benefits Paid	-1,118.86	-1,367.74
Defined Benefit Obligation, End of Period	**11,834.58**	**10,763.16**

VII Reconciliation of Fair Value of Plan Asset

(₹ in Lac)

Change in fair value of plan assets during the period	For the year ended 31st March 2018	For the year ended 31st March 2017
Fair Value of Plan assets, beginning of the period	10,005.35	10,352.21
Interest income on plan assets	657.62	731.45
Actual Enterprises' contribution	204.66	175.50
Actual benefits paid	-1,118.86	-1,367.74
Actuarial gains/(losses)	97.63	113.93
Fair Value of Plan assets, end of the period	**9,846.40**	**10,005.35**

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Weighted average duration (based on discounted cash flow)	8.41	8.56

VIII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31, 2018	As at March 31, 2017
Govt. of India Securities (central and state)	0.00%	0.00%
High Quality corporate bonds (incl PSU Bonds)	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Real Estate / Propetry	0.00%	0.00%
Cash (including special deposits)	0.00%	0.00%
Other (inclding assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

IX History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	11,834.58	10,763.16
Plan Assets	9,846.40	10,005.35
(Surplus)/Deficit	**1,988.18**	**757.81**
Exp Adj- Plan Assets gain/(Loss)	97.63	113.93
Assumptions Gain/(loss)	-417.75	333.22
Exp Adj- Plan Liabilities Gain/(loss)	1,208.40	240.40
Total Actuarial Gain/(loss)	**790.65**	**573.62**

X Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	For the year ended 31st March 2018	For the year ended 31st March, 2017
Actuarial (Gain)/Loss arising on DBO	790.65	573.62
Actuarial (Gain)/Loss arising on Plan Assets	-97.63	-113.93
Total (Gain)/Loss recognised during the period	**693.02**	**459.69**

XI Sensitivity analysis

(₹ in Lac)

	For the year ended 31st March 2018	For the year ended 31st March, 2017
Defined benefit obligation (Base)	11,834.58	10,763.16

Sensitivity analysis	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount rate	12,122.30	11,560.50	11,042.70	10,497.04
Impact of increase/ decrease of 50 bps on DBO	2.43%	-2.32%	2.60%	-2.47%
Salary growth rate	11,688.65	12,251.54	10,495.67	11,041.52
Impact of increase/ decrease of 50 bps on DBO	-1.23%	3.52%	-2.49%	2.59%

XII Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	1,900.97	1,354.88
Year 2	2,059.02	1,594.36
Year 3	1,541.11	1,742.57
Year 4	1,462.94	1,312.38
Year 5	1,377.95	1,234.96
Year 6 to 10	5,483.30	4,926.56

XIII Plan provisions considered for carrying out actuarial valuation

	For the year ended 31st March 2018 and 31st March 2017
Eligibility	All employees
Qualifying salary	Monthly Basic
Qualifying service	Completed years of Continious sefvice with part thereof in excess of six months
Form of payment	Lumpsum
Retirement benefit	15/26 x Last drawn salary x Service
Withdrawal benefit	15/26 x Last drawn salary x Service
Death benefit	15/26 x Last drawn salary x Service
Vesting Period	5 years on retirement and withdrawal
Maximum Ceiling	For Executive Employees 15 months salary and for workmen 20 months salary

XIV Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1,274	1,374
Total monthly Salary (in Lakhs)	848.43	749.91
Average monthly Salary (in Lakhs)	0.67	0.55
Average age (Years)	50.14	49.99
Average Past Service (Years)	24.67	24.44

XV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	7.55%	7.05%

Demographic Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2018 the estimated term of liabilities is 8.41 years, corresponding to which YTM on government bonds is 7.55% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation weighted by corresponding amount of benefits.

Expected Rate of Return on Assets

It is the average long term rate of return expected on investments of the Trust Fund.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

30.6 Leave Encashment (Funded)

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Amount in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	3,358.53	3,024.64
Fair value of Plan Assets	4,248.59	3,942.88
Funded Status- (Surplus)/Deficit	-890.06	-918.24
Liability/(Asset) recognised in the Balance Sheet	**-890.06**	**-918.24**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Current/ Non Current Benefit obligation/asset	As at March 31, 2018	As at March 31, 2017
Current Liability	-	-
Non Current Liability	-890.06	-918.24
Liability/(Asset) recognised in the Balance Sheet	**-890.06**	**-918.24**

III Expense recognised during the year in the Statement of Profit and Loss

(₹ in Lac)

Amount Recognised in Statement of Profit & Loss	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	134.98	126.37
Interest Cost	213.24	187.04
Expected Return on Plan Assets	-277.98	-279.35
Net Actuarial Losses/(Gains)	-41.92	632.39
Total Expense/(Income) included in "Employee benefit Expense"	**28.32**	**666.45**

IV Return on Plan Assets

(₹ in Lac)

Actual Return on Plan Assets	For the year ended 31st March 2018	For the year ended 31st March 2017
Expected Return on Plan Assets	277.98	279.35
Actuarial Gains/(Losses) on Plan Assets	27.60	26.19
Actual Return on Plan Assets	**305.57**	**305.54**

V Reconcilliation of amounts in Balance Sheet

(₹ in Lac)

Reconcilliation of amounts in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Opening Balance Sheet (Asset)/Liability	-918.24	-819.09
Total Expense/(Income) recognised in P&L	28.32	666.45
Actual Employer Contribution	-0.14	-765.60
Closing Balance Sheet (Asset)/Liability	**-890.06**	**-918.24**

(₹ in Lac)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined Benefit Obligation, Beginning of Period	3,024.64	2,818.25
Current Service Cost	134.98	126.37
Interest Cost	213.24	187.04
Actuarial (Gains)/Losses	-14.32	658.57
Actual Benefits Paid	-	-765.60
Defined Benefit Obligation, End of Period	**3,358.53**	**3,024.63**

VI Reconciliation of Fair Value of Plan Asset

(₹ in Lac)

Change in fair value of plan assets during the period	For the year ended 31st March 2018	For the year ended 31st March 2017
Fair Value of Plan assets, beginning of the period	3,942.88	3,637.34
Interest income on plan assets	277.98	279.35
Actual Enterprises' contribution	0.14	765.60
Actual benefits paid	-	-765.60
Actuarial gains/(losses)	27.60	26.19
Fair Value of Plan assets, end of the period	**4,248.59**	**3,942.88**

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Weighted average duration (based on discounted cash flow)	8.41	8.56

VII Categorisation of Investments under Plan Assets

Category of Assets	As at March 31, 2018	As at March 31, 2017
Govt. of India Securities (central and state)	0.00%	0.00%
High Quality corporate bonds (incl PSU Bonds)	0.00%	0.00%
Equity Shares of listed companies	0.00%	0.00%
Real Estate / Propetry	0.00%	0.00%
Cash (including special deposits)	0.00%	0.00%
Other (inclding assets under schemes of Ins.)	100.00%	100.00%
Total	100.00%	100.00%

VIII History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	3,358.53	3,024.64
Plan Assets	4,248.59	3,942.88
(Surplus)/Deficit	**-890.06**	**-918.24**
Exp Adj- Plan Assets gain/(Loss)	27.60	26.19
Assumptions Gain/(loss)	-88.92	103.62
Exp Adj- Plan Liabilities Gain/(loss)	74.60	554.95
Total Actuarial Gain/(loss)	**-14.32**	**658.57**

IX Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gain)/Loss arising on DBO	-14.32	658.57
Actuarial (Gain)/Loss arising on Plan Assets	27.60	26.19
Total (Gain)/Loss recognised during the period	**13.28**	**684.76**

X Sensitivity analysis

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Defined benefit obligation (Base)	3358.53	3024.64

Sensitivity analysis	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount rate	3,447.45	3,274.30	3,112.17	2,941.82
Impact of increase/ decrease of 50 bps on DBO	2.65%	-2.51%	2.89%	-2.74%
Salary growth rate	3,273.02	3,447.92	2,941.02	3,112.22
Impact of increase/ decrease of 50 bps on DBO	-2.54%	2.66%	-2.76%	2.90%

XI Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	544.48	354.37
Year 2	492.05	430.93
Year 3	447.94	401.87
Year 4	439.16	361.48
Year 5	335.73	365.32
Year 6 to 10	1,573.99	1,406.11

XII Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2018 and 31st March 2017
Eligibility	All employees
Qualifying salary	Monthly Basic
Form of payment	Lumpsum
Retirement benefit	Last drawn salary/30 * Leave Balance
Withdrawal benefit	Last drawn salary/30 * Leave Balance
Death benefit	Last drawn salary/30 * Leave Balance
Vesting Period	Nil
Maximum Ceiling	300 days
Yearly Entitlement	30 days

XIII Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1274	1374
Total monthly Salary (INR)	848.43	749.91
Average age (Years)	50.14	49.99
Average Past Service (Years)	24.67	24.44
Total Leave Balance (Days)	140637	151082
Average Leave Balance	110.39	109.96

XIV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	7.05%	7.05%

Demographic assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.025855
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2018 / 31 March 2017 the estimated term of liabilities is 8.41 years / 8.56 years, corresponding to which YTM on government bonds is 7.55%/ 7.05% after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit

Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

30.7 **Sick Leave(unfunded)**

I Liability/(Asset) to be recognised in the Balance Sheet

(₹ in Lac)

Amount in Balance Sheet	As at March 31, 2018	As at March 31, 2017
Defined Benefit Obligation (DBO)	607.20	565.84
Funded Status- (Surplus)/Deficit	607.20	565.84
Liability/(Asset) recognised in the Balance Sheet	**607.20**	**565.84**

II Bifurcation of DBO into Current and Non Current Portion

(₹ in Lac)

Current/ Non Current Benefit obligation	As at March 31, 2018	As at March 31, 2017
Current Liability	123.32	111.89
Non Current Liability	483.88	453.94
Liability/(Asset) recognised in the Balance Sheet	**607.20**	**565.83**

III Expense recognised during the year

(₹ in Lac)

Amount Recognised in Statement of Profit & Loss	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Service Cost	26.59	25.18
Interest Cost	39.89	40.90
Net Actuarial Losses/(Gains)	-25.11	-32.74
Total Expense/(Income) included in "Employee benefit Expense"	**41.37**	**33.34**

IV Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in Lac)

Change in Present Value of Benefit Obligation during the Period	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening Balance Sheet (Asset)/Liability	565.84	532.50
Total Expense/(Income) recognised in P&L	41.37	33.34
Closing Balance Sheet (Asset)/Liability	**607.20**	**565.84**

V Reconciliation of Actuarial (Gain)/Losses

(₹ in Lac)

Recognition of Actuarial gains and losses	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gain)/Loss arising on DBO	-25.11	-32.74
Total (Gain)/Loss recognised during the period	**-25.11**	**-32.74**

Other Items	For the year ended 31st March 2018	For the year ended 31st March 2017
Decrement adjusted estimated tenure of Actuarial Liability (years)	8.41	8.56

VI History of DBO, Surplus / Deficit and Experience Gains / Losses

(₹ in Lac)

History of DBO, Asset values, Surplus / Deficit and Experience Gains / Losses	As at March 31, 2018	As at March 31, 2017
DBO	607.20	565.84
(Surplus)/Deficit	607.20	565.84
Assumptions Gain/(loss)	-10.87	62.80
Exp Adj- Plan Liabilities Gain/(loss)	-14.24	-95.54
Total Actuarial Gain/(loss)	**-25.11**	**-32.74**

VII Sensitivity analysis

(₹ in Lac)

	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation (Base)	607.20	565.84

Sensitivity analysis	For the year ended 31st March 2018		For the year ended 31st March 2017	
	Decrease	Increase	Decrease	Increase
Discount rate	618.13	596.58	576.26	555.80
Impact of increase/ decrease of 50 bps on DBO	1.80%	-1.75%	1.84%	-1.77%
Salary growth rate	596.73	618.07	555.70	576.27
Impact of increase/ decrease of 50 bps on DBO	-1.72%	1.79%	-1.79%	1.84%

VIII Expected Undiscounted Cash Flows

(₹ in Lac)

Expected cash flows	As at March 31, 2018	As at March 31, 2017
Year 1	123.32	111.89
Year 2	105.70	97.74
Year 3	90.49	83.07
Year 4	75.84	70.44
Year 5	64.69	58.88
Year 6 to 10	181.15	242.39

XIII Plan provisions considered for carrying out actuarial valuation

Particulars	For the year ended 31st March 2018 and 31st March 2017
Eligibility	All eligible employees
Qualifying salary	Monthly CTC
Availment formula	Last drawn salary/30 * Leave Balance
Retirement benefit	Nil
Withdrawal benefit	Nil
Death benefit	Nil
Vesting Period	Nil
Maximum Accumulation	180 days
Yearly Entitlement	10 days

As per the leave policy of the Company, encashment of sick leave is not permitted:

X Data used for Actuarial Valuation

Membership data	For the year ended 31st March 2018	For the year ended 31st March 2017
Number of Members	1,274	1,374
Total monthly Cost-to-Company (in Lakhs)	848.43	749.91
Average Age (years)	50.14	50.04
Average past service (Years)	24.67	24.51
Total Leave Balance (Days)	79,154	84,987
Average Leave Balance	62.13	61.85

XIV Actuarial Assumptions

Financial Assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount Rate	7.55%	7.05%
Salary Escalation rate	6.50%	6.50%
Expected return on assets	0.00%	0.00%

Demographic assumptions	For the year ended 31st March 2018	For the year ended 31st March 2017
Mortality Table*	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal Rate	Age 21 to 40: 3%	Age 21 to 40: 3%
	Age 41 to 55: 2%	Age 41 to 55: 2%
	Age above 56: 1%	Age above 56: 1%
Availment percentage	7%	7%
Retirement age	60 years	60 years

Timing related assumptions	For the year ended 31st March 2018 and 31st March 2017
Time of retirement	Immediately on achieving normal retirement
Salary increase frequency	Once a year

* Mortality Rate : Represents mortality rates from Indian Asusred Lives Moratality (2006-08) Ult. Are given in the table below.

Age	Rate
20	0.000888
25	0.000984
30	0.001056
35	0.001282
40	0.001803
45	0.002874
50	0.004946
55	0.007888
60	0.011534
65	0.017009
70	0.0258550
75	0.039637

Discount rate

Discount Rate for the valuation is based on Yield to Maturity (YTM) available on Government bonds having similar term to decrement-adjusted estimated term of liabilities. For valuation as at 31st March 2017 / 31 March, 2016 the estimated term of liabilities is 8.41 / 8.56 years, corresponding to which YTM on government bonds is 7.55% / 7.05% respectively, after rounding to nearest 0.05%.

Estimated term of liabilities, for selection of discount rate, is calculated as average term of all future benefit payments on account of death, retirement or resignation.

Salary escalation rate

Salary escalation assumption has been set based on the estimates of overall long-term salary growth rates after taking into consideration expected earnings inflation as well as performance and seniority related increases.

Withdrawal rate

Assumptions regarding withdrawal rates are also set based on the estimates of expected long-term future employee turnover within the organization.

Mortality rate

Indian Assured Lives Mortality (2006-08) Ult. as issued by Institute of Actuaries of India has been used.

Projected Unit Credit Method

Privilege Leave Plan is classified as Defined Benefit plan as enterprise's obligation is to provide agreed benefits to plan members. Actuarial & Investment risks are borne by the Company.

As required under Para 51 (b) of Ind AS 19, valuation of plan benefits is done using Projected Unit Credit Method. Under this method, only benefits accrued till the date of valuation (i.e. based on service unto date of valuation) are considered for valuation. Present value of Defined Benefit Obligation is calculated by projecting salaries, exits due to death, resignation and other decrements, if any, and benefit payments made during each month till the time of retirement of each active member using assumed rates of salary escalation, mortality & employee turnover rates. The expected benefit payments are then discounted back from the expected future date of payment to the date of valuation using the assumed discount rate.

Ind AS 19 also requires 'Service Cost' to be calculated separately in respect of benefit accrued during the current period. Service Cost is calculated using the same method as described above; however instead of all accrued benefits, benefit accrued over the current reporting period is considered.

Modelling Assumptions

Decrements due to death & resignation are assumed to occur uniformly throughout the year.

Members above Normal Retirement Age are assumed to retire immediately after the reporting date.

31 CURRENT TAX LIABILITY (NET)

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Advance tax	8,309.45	6,112.52
Provision for tax	8,770.38	6,440.71
Total	**460.93**	**328.18**

32 REVENUE FROM OPERATIONS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Sale of -		
Wind plant	4,313.96	4,646.55
Solar Power	264.21	258.25
Beneficiated Rock Phosphate	7,722.53	9,928.78
High Grade Rock Phosphate	25,087.17	24,227.20
Rajphos	859.95	933.14
Gypsum	5,261.10	6,442.64
Selenite	10.87	101.81
Lignite	99,430.12	90,917.43
Limestone	20,414.29	14,820.17
Sale of Gas	-	308.86
Other operating revenue		
Sale of Carbon/Voluntary Emission Reduction (CER/VERs)*	205.71	4.28
Sale of REC	2.79	40.01
Total	**163,572.70**	**152,629.11**

With respect to RSMML

32.1 The The selling prices of Rock phosphate and Cement grade Limestone and Gypsum are inclusive of Environment and Health Cess on mineral rights imposed by the State Government. The amount of cess whether included in selling prices or recovered separately is being treated a part of turnover of Company. An expenditure amounting to Nil (Prev. Year ₹ 5,287.94 Lakhs) on this account has been shown under the head MR cess in mining and other operating expenses.

32.2 The Government of Rajasthan vide notifiaction dated 06.01.2017 has rescind their earlier notification dated 06.03.2013 with immediate effect in respect of levy of MR cess on various minerals at the rates priscribed in the said notification dated 06.03.2013.

32.3 Lignite & Limestone was being supplied to Rajasthan Vidyut Utpadan Nigam Limited (RVUNL) as per the Fuel Supply Agreement (FSA) entered with party. The FSA was due for renewal w.e.f.

20 February, 2012. Pending renewal of FSA, revenue on this account have been accounted for on the basis of prevailing rate as per existing FSA.

32.4 Lignite from Sonari pit is being supplied to RVUNL from November 2012. Issue for inclusion of Sonari pit in FSA & fixing of price is under consideration with RVUNL. As such, supply of lignite from Sonari pit have been accounted for on the basis of minutes of meeting held on 01/10/2014 between Company and RVUNL.

Necessary adjustments, if any, would be carried out on finalizing of FSA with RVUNL.

Due to shut down of power plants situated at Giral ,RVUNL has not lifted any quantity of Lignite from Sonari and Giral Mines of the Company during the year 2017-18.

32.5 The Company is getting CERs from its wind mill projects and other projects registered with United Nations Framework Convention on Climate Change (UNFCCC) under Clean Development Mechanism (CDM) category which are tradable in the international market. The Company would be receiving CERs on regular basis from its existing registered projects . Similarly the Company has also started getting Voluntary Emission Reduction (VERs) .

32.6 Renewable Energy Certificate (REC) mechanism is a market based instrument to promote the renewable energy and facilitate compliance of renewable purchase obligations (RPO). There are two categories of RECs viz solar REC & Non solar REC. The company has installed 5 MW solar power plant in Bikaner district and signed the PPA with DISCOM for sale of solar power under REC mechanism. Therefore, solar REC's are issued against the sale of power from the above plant. After fulfilling the eligibility requirement & the procedure for issuance of REC, the central agency i.e. NLDC issues the REC which are traded in the energy exchange.

With respect to BLMCL

32.7 In order to make the accounting policies of the group consistent, the revenue of BLMCL has been grossed up with the amount of Excise duty of ₹ 12.61 Crores (previous year ₹ 49.72 Crores Lakhs) and corresponding expense has been shown under the head 'Other expense'.

33 OTHER INCOME

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest income	5,928.61	6,553.51
Dividend Income	0.10	0.10
Other non operating revenue		
Sundry Credit Balances written back	30.51	55.54
Lease Rent on Railway rakes	-	9.36
Profit on sale of Obsolete and other PPE	0.17	13.25
Miscellaneous income	2,491.13	1,131.13
Liability no longer required*	349.85	2,205.75
Total	**8,801.17**	**9,968.66**

With respect to RSMML

33.1 * Includes Provision for mine closure ₹ 346.49 Lakhs (Prev year Nil) (Refer note 27.1) and reversal of Dead rent of Gypsum of Nil (Prev year ₹ 2,157.52 Lakhs) due to downward revision of rates of dead rent vide notification no.F.14(9)Mines/Gr.II/2015-Pt.II dated 20/06/2017 of GoR ,Mines (Gr.II) Department.

33.2 The company has leased out its 181 numbers of Box N wagons to Railways for a period of 20 years, purchased by it in the year 1996-97 under "Own Your Wagon Scheme" through two separate agreements, out of which one agreement has expired in July, 16 and another one in September, 16. After expiry of the agreements, the company has requested railways for extension of the agreements for next 10 years. The request of the company is under active consideration of the Railway Authorities and once the acceptance is received, new agreements would be signed with Railways.

33.3 Compensation

Wind power Phase V

` M/S RRB Energy Limited was awarded the work of installation, Operating & maintaining the Phase V of wind power form for the company in Jaisalmer (Rajasthan), having generation capacity of 15 MW. As per the terms of contract, compensation at the rates prescribed is recoverable for the shortfall in generation of power in the respective block periods as prescribed in the contract, based on Power Curved based Guaranteed Generation (PCGG) committed by the M/s RRB Energy Limited. Accordingly, a sum of ₹ 3,39,80,871/- is estimated to be recovered from the contractor based on the performance during the third block period from Jan 2013 to Dec 2016.

However, the contractor is disputing levy of compensation and claiming that there is no shortfall in the generation as per the terms of contract and as such no compensation is payable. As the matter is not settled, pending which the compensation amounting to ₹ 339.81 Lakhs has not been booked as revenue of the company for the year 2017-18.

Solar power

M/S Rays Power Experts Pvt. Ltd., was awarded the work of installation, Operating & maintaining the 5 MW Solar power plant for the company in Gajner, Bikaner (Rajasthan). As per the terms of contract, compensation at the rates prescribed is recoverable for the shortfall in generation of power in the respective block periods as prescribed in the contract, based on Net Minimum Guaranteed Generation (NMGG) committed by M/S Rays Power Experts Pvt. Ltd. Accordingly, a sum of Rs. 258.34 Lac is estimated to be recovered from the contractor based on the performance during the First block period from Jan 2015 to Dec 2016.

However, the contractor is disputing levy of compensation by the company and claiming that there is no shortfall in the generation as per the terms of contract and as such no compensation is payable. As the matter is not settled pending which the compensation amounting to Rs. 258.34 Lakhs has not been booked as revenue of the company for the year 2017-18.

34 PURCHASE OF ORE

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Purchases	269.92	827.70
Total	**269.92**	**827.70**

35 CHANGES IN INVENTORIES OF FINISHED GOODS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Closing Stock		
Rock Phosphate	25,452.14	22,825.26
Beneficiated Rock Phosphate	4,708.09	5,149.74
Rajphos	188.95	214.41
Gypsum	24.65	199.09
Limestone	249.32	582.46
Lignite	5,522.55	3,258.70
Bio Diesel and by products	1.90	1.90
	36,147.59	**32,231.56**
Opening Stock		
Rock Phosphate	22,825.26	20,161.02
Beneficiated Rock Phosphate	5,149.74	5,992.68
Rajphos	214.41	205.49
Gypsum	199.09	264.44
Limestone	582.46	920.61
Lignite	3,258.70	3,067.45
Bio Diesel and by products	1.90	1.90
	32,231.56	**30,613.58**
(Increase)/Decrease	**-3,916.03**	**-1,617.98**

36 EMPLOYEE BENEFIT EXPENSES

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Salaries & Wages	11,886.59	10,061.77
Contribution to Provident/Pension & Other Funds	2,114.05	1,823.68
Leave Encashment	1,262.25	947.82
Bonus/Additional Remuneration	107.38	117.55
Employees' Welfare	1,126.26	1,192.61
Employees' Social Security	-	2.39
Total	**16,496.53**	**14,145.81**

37 FINANCE COSTS

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Interest expense (others including bank)	1,695.43	1,383.49
Guarantee Commission	10.24	1.98
Interest on Rupee Term Loan	6,042.52	3,081.97
Interest on loans from related parties	3,031.39	1,162.67
Interest on decommissioning liabilities	234.53	132.04
Total	**11,014.11**	**5,762.14**

38 OTHER EXPENSES

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Mining and other operating expenses		
Stores consumed*	4,080.70	3,893.71
Payment to Contractors :		
For Removal of Overburden	8,196.29	4,114.99
For Raising, Transportation & Others	15,548.11	14,865.62
For Progressive mine closure	1,517.41	1,914.41
Lignite Extraction charges	67,763.19	62,415.08
Freight Charges	29.68	39.01
Dewatering of Mines	49.40	4.13
Crushing Plant Expenses	16.44	15.50
Power Charges	1,973.99	1,743.35
Survey & Prospecting Charges	0.02	57.64
Royalty & Dead Rent	9,322.35	8,750.77
Contribution to National Mineral Exploration Trust	464.89	247.40

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Contribution to District Mineral Foundation	3,390.59	1,419.25
MR Cess	-	5,287.94
Progrehesive Mine closure expenditure (Refer Note No. 30.1)	335.67	488.45
Repairs to Buildings	41.03	50.74
Repairs to Machinery	1,218.06	1,805.84
Repairs to Plant	237.54	285.92
Repairs to Road	15.45	12.92
Research & Development	24.69	15.06
Sampling & Analysis	67.41	50.69
Compensation for Mineral	323.58	569.04
Afforestation Plantation & Environment	54.39	58.86
Rural Development Expenses	-	-
Corporate Social Resposibilty	213.65	384.29
Laboratory Expenses	4.89	14.83
Selling Expenses including commission	148.47	64.94
Packing Charges	114.11	137.93
Mines safety & Insurance expenses	2.45	-
Cash Discounts/Rebate on Sales	4.14	-
Business Promotion Expenses	66.72	39.22
Establishment expenses		
Repairs to Others	92.05	94.13
Rent including Plot Rent	13.94	126.56
Rates & Taxes	4,780.15	5,389.32
Secuity service expenses	569.19	653.25
Insurance	38.44	37.52
Travelling & Conveyance	544.30	537.03
Vehicle Up-keep	172.92	181.04
Payment to Auditors:		
Audit Fees	8.72	9.71
Tax Audit Fees	2.00	2.42
For reimbursement of expenditure	4.56	4.81
General Charges	1,186.33	462.99
Postage, Telephone & Telegraphs	61.30	69.80
Printing & Stationery	37.34	38.79
Electricity & Water	82.29	94.14
Seminar, Training & Exhibition	2.17	2.55
Legal & Professional Charges	330.89	210.52
Advertisement & Publication	103.49	101.20

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Bank Charges	5.22	1.45
Subscription	7.77	3.57
Entertainment	12.79	8.91
Board Meeting Expenses	0.33	1.64
Sundry debit balance written off	0.07	3.11
Provision for doubtful Debts	2.75	5.85
Consultancy Charges	54.17	63.75
Claims & Settlements	-	1.87
Computer Maintenance & Software Exp.	42.57	37.12
Obsolete and Other PPE written off	11.96	0.62
Impaired/Obsoletion loss on PPE	1.59	2.95
Obsoletion loss on Spares	-	33.63
Loss on sale/transfer of Obsolete and Other Fixed Assets	-	0.35
Excise duty	1,338.28	5,196.40
Operation and maintainance charges	36.90	166.24
Wages to contract labour	-	22.34
Staff Welfare	-	3.45
Medical aid and Welfare	-	4.43
Books, periodical and library expense	-	0.08
Website maintainance charges	-	0.32
Import Energy Cess -Solar	3.98	11.54
Amortization of minning closure expense	77.66	77.66
Total	**124,851.40**	**122,410.58**

With respect to RSMML

38.1 Land tax was being provided for on the basis of demand notices received from various assessing authorities. However, where the demand notices were not received, the liabilities were being provided as per the Company's own assessment. The Company had filed petition challenging the land tax assessment orders issued by assessing authorities of various lands for different financial years with appellate authorities and Rajasthan Tax Board. Some of the appeals filed by the Company have been referred back to assessing authorities for reconsideration of the assessments done or otherwise by appellate authorities . Though the assessing authorities had reassessed the demand in most of the cases and accordingly adjustments were made as per the revised assessment of land tax, the accounting adjustment for remaining assessments will be made on final outcome of other appeals/applications. The rate of land tax has been made zero w.e.f. 01.04.2013.

38.2 Revenue expenditure on Research & Development is charged to Statement of Profit & Loss in the year in which it is incurred. There is no capital expenditure incurred on Research & Development during the year.

38.3 As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the company. Amount required to be spent by the Company on Corporate Social Responsibility (CSR) activities during the year was ₹ 347.44 Lakhs. Revenue expenditure charged to Statement of Profit and Loss in respect of Corporate Social Responsibility (CSR) activities undertaken during the year is ₹ 190.18 Lakhs. No Capital expenditure was incurred during the year in construction of capital assets under CSR projects.

38.4 Stores consumed does not include consumption of Stores & spares of? 577.16 Lakhs charged under various heads (Prev. Year ₹ 882.67 Lakhs).

39 TAX EXPENSES

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current tax	7,349.86	5,836.81
Tax of earlier years	-181.61	-874.72
Deferred tax	-2,329.02	-1,232.84
Total	**4,839.23**	**7,421.31**

40 SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS MADE FOR CONSOLIDATION

For the purpose of consolidation, RSMML has identified entities on the basis of following judgements and assumption:

a. Subsidiares

The entities over which RSMML has power to control are considered as a subsidiary of the Company. Control is where RSMML has directly or indirectly, interest in more than 50% of the voting power so as to obtain economic benefits from the activities of the other Company.

b. Associates

Associate entities are identified as those over which RSMML can exercise significant influence but not control. For this purpose a reputable assumption has been taken that wherever RSMML is holding 20% or more of the voting power of the other entity (whether directly or indirectly), it gives rise to significant influence, unless there exists other contrary evidences to show that there is no significant influence.

Composition of Group

On the basis of above significant judgements and assumptions RSMML has identified following entities which are required to be consolidated in RSMML:

S.No.	Name of the entity	Principal place of operation	Principal Activities	% of share holding		Functional currency
				2018	2017	
1	BLMCL	India	Mining of lignite	51.00%	51.00%	INR
2	RSPCL	India	Exploration, Production, of petroleum	100.00%	100.00%	INR

Basis of consolidation

The consolidated financial statements relate to the Group and its subsidiaries. The consolidated financial statements have been prepared on the following basis:-

a. The financial statements of the subsidiaries are combined on a line-by–line basis by adding together the like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with IND AS 110 –'Consolidated Financial Statements'.

b. Non-controlling Interest (NCI) in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity attributable to the Parent's shareholders. NCI in the net assets of the consolidated subsidiaries consists of: - The amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and - The NCI share of movement in the equity since the date the parent subsidiary relationship came into existence.

c. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

d. Consolidation for the F.Y. 2016-17 has been done by consolidating line by line item of Rajasthan State Gas Limited as a fellow subsidiary company of RSMML instead of Joint Venture. However during the financial year The financial statements of the RSPCL are consolidated using equity method as per Ind AS-28. Accordingly the figures of previous financial year is not comparable to that extent.

Summarised financial information of subsidiaries having material non-controlling interests are as follows

a. Accumulated non-controlling interests of the subsidiary at the end of the reporting period

(₹ in Lac)

Particulars	BMLCL	
	2018	2017
Assets		
Non Current Assets	225,536.76	218,458.58
Current Assets	26,837.81	16,390.91
Liabilities		
Non Current Liabilities	230,567.99	210,056.45
Current Liabilities	26,993.94	25,426.61
Equity		
Percentage of ownership held by Non-Controlling interest	49%	49%
Total Non Controlling Interest	-2,540.11	-310.45

b. **Profit or loss allocated to non-controlling interests of the subsidiary during the reporting period.**

(₹ in Lac)

Particulars	BMLCL	
	2018	2017
Revenue		
Net Profit/ loss	-4,553.79	61.86
Other Comprehensive Income	-	-
Total Comprehensive Income	-4,553.79	61.86
Percentage of ownership held by Non-Controlling interest	0%	49%
Profit /loss allocated to Non Controlling Interest	-	30.31

41 FINANCIAL RISK MANAGEMENT

41.1 Financial risk factors

- The Company's principal financial liabilities comprise of trade and other payables, advance from subsidiary companies, security deposits, retention moneys and other such payables. The Company has not taken any loans or borrowings from any bank or financial instituitions. The main purpose of these financial liabilities is to manage finances for the Company's operations and also for purchase of capital assets and for safeguarding its interests under contracts.
- The Company has given loans to its employees, trade and other receivables, investments in equity shares and cash and cash equivalents that arise directly from its operations as a part of its financial assets.

  The Company's activities expose it to a variety of financial risks:

a. **Market risk**

- Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.
- Financial Instruments affected by Market Price Risk include investments made in equity instruments by the Company.
- There are no currency rate risk or interest rate risks on the Company since all the transactions are done in the functional currency (INR) and the Company has not taken any loans or borrowings from the market.

b. **Credit risk**

- Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
- The Company makes major of its sales, either on an advance basis or against a security in the nature of Letter of Credit or Bank Guarantee, and hence the credit risk is minimal. Financial Instruments like trade receivables and loans forwarded to employees are subject to slight credit risk against which the Company has booked Expected Credit Losses.

c. **Liquidity risk**

- Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- Being a cash rich company, it does not have any acute liquidity risk and has no lines of credit in the forms of loans payable.

Market Risk

Commodity price risk and sensitivity

Being a mining Company, the commodity risk of the Company is bare minimum since there are no raw materials. In case of some commodities sold by the Company, there is a price risk for which no specific arrangements have been made by the Company.

Credit Risk

The Company is expossed to credit risk from its operating activities (primarily trade receivables)

Trade Receivables

- The Company extends secured credit to customers of Rock Phosphate in normal course of business of 120 days. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken Bank guarantees and letter of credit from its customers, which mitigate the credit risk to almost full extent. The Company extends unsecured credit to SAIL, a Government of India enterprise which purchases SMS Grade Limestone. It also sales Power to electricty compn ies of Government of Rajasthan on unsecured credit.

  The ageing of trade receivables as on 31st March 2018 is as below:

(₹ in Lac)

Particulars	Due upto 36 months	Due for more than 36 months	Total
Financial Assets			
Good	20,089.81		20,089.81
Doubtful		698.42	698.42
Gross	**20,089.81**	**698.42**	**20,788.23**
Provisions			
Net total	**20,089.81**	**-698.42**	**20,788.23**

The ageing of trade receivables as on 31st March 2017 is as below:

(₹ in Lac)

Particulars	Due upto 36 months	Due for more than 36 months	Total
Financial Assets			
Good	22,347.20		22,347.20
Doubtful		695.67	695.67
Gross	**22,347.20**	**695.67**	**23,042.87**
Provisions		-695.67	-695.67
Net total	**22,347.20**	-	**22,347.20**

Provisions

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ₹ 698.42 Lakhs has been booked as expected credit losses till 31st March 2018.

Expected Credit Losses

100% Expected Credit losses are recognised for all financial assets which have become due for more than 36 months. Thus, a cumulative amount of ` 695.67 Lakhs has been booked as expected credit losses till 31st March 2017.

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations. The rest amount is deposited in the PD account, with the government, which can be withdrawn as and when required and on which interest, as fixed by government, is being received. This PD account is a risk free deposit.

Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash requirements. There are no borrowings by the Company, whether short term or long term. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs and the excess funds are transferred to the PD account as per guidelines of Government of Rajasthan.

Since it a cash rich Company, the liquidity risk faced by the Company is very minute.

41.2 Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and also owing to government regulations, because it enjoys monopoly in mining of Rock Phosphate which is the main source of revenue, in the state of Rajasthan, for the Company.

42 CAPITAL RISK MANAGEMENT

Objective

The primary objective of the Company's capital management is to maximize the shareholder value. i.e. to provide maximum returns to the State government which is a major shareholder. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns to the Government. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

Policy

The Company manages its capital structure and makes adjustments in light of changes in economic

conditions and the rules and regulations framed by the Government under whose control the Company operates.

Process

The Company is declaring a dividend of 50% for the past few years.

43 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's Consolidated financial instruments that are recognised in the financial statements.

(₹ in Lac)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at fair value through profit and loss				
Investment in Employees Leave Encashment Scheme from LIC	4,248.59	4,248.59	3,942.87	3,942.87
Financial assets designated at fair value through other comprehensive income				
Investments in Equity Instruments	154.41	154.41	183.37	183.37
Financial assets designated at amortised cost				
Loans given to employees	808.43	808.43	933.18	933.18
Cash and Bank balances	126,548.74	126,548.74	104,609.31	104,609.31
Trade and Other receivables	20,089.11	20,089.11	15,197.34	15,197.34
Other Financial Assets (Including investment in associate, jv and subsidiary)	3,897.59	3,897.59	5,553.73	5,553.73

(₹ in Lac)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial liabilities designated at fair value through profit and loss	Nil	Nil	Nil	Nil
Financial liabilities designated at amortised cost				
Trade and Other Payables	14,925.17	14,925.17	14,108.44	14,108.44
Other Financial Liabilities	52,070.72	52,070.72	53,034.20	53,034.20

Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values

a. Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b. Interst free security deposits accepted by the Company have been carried at their amortised cost as their discounting will not represent the meaniningful and fair information and the contractual term for which they are received is not substantially long.

c. The Company can only invest its excess fund in its PD account. So, the principal market for the Company is its PD account. The rate of interest on PD account is cosnidered as the Company market rate of interest which is 3.85%.

d. Loans to Employees have been given at above market rate of interest, i.e. 3.85%. Hence, the fair value of such loans is equal to the amount of loans given.

e. IND AS 101 allows the Company to fair value its Property, Plant and Equipment. However, on transition to IND AS, the Company has opted for the exemption of deemed cost where the assets are carried forward at their existing carrying amounts as per Indian GAAP.

f. IND AS 101 allows the Company to fair value its investment in subsidiary, associates and joint ventures. However, on transition to IND AS, the Company has opted for the exemption where the investments have been carried forward at their existing carrying amounts as per Indian GAAP.

g. The investments in equity shares (apart from Subsidiaries, JVs and Associates) made by the Company have been recorded at their fair value using the market price of the share and where market price was not available, using the Net Asset method to value the shares.

44 FAIR VALUE HEIRARCHY

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

a. Quoted prices/published NAV (unadjusted) in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.

b. Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, interest free security deposits) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

c. Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value of Financial Assets and Financial Liabilities accounted for in the Consolidated Financial Statements as on the reporting date of the entity

(₹ in Lac)

Particulars	As at 31st March 2018			As at 1st April 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments in Equity Instruments	-	-	154.41	-	-	183.37
Financial Liabilities						

During the year ended March 31, 2018 and March 31, 2017, there were no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2018 and March 31, 2017, respectively:

Particulars	Fair Value Heirarchy	Valuation Technique	Inputs Used
Financial Assets			
Investments in Equity Shares	Level 3	Net Asset Method	Financial Statements as on the reporting date of the investee entity

45 EQUITY INSTRUMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(₹ in Lac)

Particulars	Ostwal Phoschem (India) Limited	Mayur Inorganics Ltd.
Fair Value as on 31st March 2017	178.85	9.52
Change in Fair Value recognised in OCI statement	-29.55	0.60
Fair Value as on 31st March 2018	144.29	10.12

The Company has chosen to measure investments in Ostwal Phoschem (India) Ltd. and Mayur Inorganics Ltd. at Fair Value through Other Comprehensive Income for better presentation and disclosure of change in carrying amount due to fair valuation.

The Company has received ₹ 0.10 Lakhs dividend in financial year 2016-17 & 2017-18 respectivley from Mayur Inorganice Limited which has been credited to Statement of Profit and Loss.

The Company has fair valued its investment in Ostwal Phoschem (India) Limited and Mayur Inorganics Limited on the basis of net asset value of the Company. Net asstes value of the shares has been derived on the basis of financial statement of companies on the reporting date.

46 INCOME TAX EXPENSE

With respect to RSMML:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Tax	7,100.00	4,678.00
Deferred Tax		
--- Relating to origination & reversal of temporary differences	-967.19	-1,052.43
Adjustments in respect of income tax of previous year		
---Current tax	-181.84	-875.09
Total tax expense	**5,950.97**	**2,750.48**

Effective Tax Reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Net Income before taxes	**23050.60**	**13433.73**
Applicable Tax Rate	34.608%	34.608%
Computed Tax Expense	**7,977.35**	**4,649.16**
Increase/decrease in taxes on account of :		
Non deductible expenses	507.67	390.93
Items considered for tax separately	1,644.48	1,700.00
Income not taxable	-0.06	-25.47
Expenses allowed under Income Tax	-1,408.24	-921.56
Other Deductions on which tax benefit is available	-1,637.16	-1,115.07
Other Provisions	11.70	0.00
Computed Income Tax Expense	**7,095.74**	**4,678.00**
Income Tax Expense Reported	7,095.74	4,678.00

Deferred Tax Assets (Liabilities)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Deferred Tax Asset		
Provision for doubtful debts	244.06	240.76
Provision for dountful claims and advances	98.87	97.76
Provision for Gratuity	264.81	262.26
Provision for leave encashment	1385.79	1242.59
Survey and Prospecting Charges	0.57	0.92
Others	29.22	28.94
Provision for bonus	39.20	1.41
Deferred Tax Liability		
Property, Plant and Equipment	4109.36	4879.12
Fair Valuation of Investments	48.37	57.92
Net Deferred Tax Asset(Liability)	**-2095.21**	**-3062.40**

Tax Component in OCI

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Income Tax on Actuarial Gain (loss)	249.86	159.09

With respect to RSPCL:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Current Tax	-	-0.36
Deferred Tax	-	-
Adjustments in respect of income tax of previous year	-	-
--- Current Tax	-0.23	-0.37

Effective Tax Reconciliation

Numerical reconciliation of tax expense applicable to profit before tax at the latest statutory enacted tax rate in India to income tax expense reported is as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Net income before tax as per Ind AS	-202.39	-126.69
Applicable Tax Rate (%)	25.75	19.055
Computed income tax expense	-	-24.14
Income Tax Expense Reported	-	0.36

In respect of financial year 2016-17, minimum alternate tax rate was considered @ 18.5% and Cess @3%

With respect to BLMCL

a) Deferred Tax:-

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Deferred Tax Assets (DTA)	9,610.00	8,255.00
Deferred Tax Liabilities (DTL)	-8,093.00	-8,100.00
Net DTA/(DTL)	**1,517.00**	**155.00**

b) Income Tax:-

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit before tax	-5,916.00	881.00
Enacted tax rate (%)	34.94	34.61
Computed Expected tax expense	**-2,067.00**	**305.00**
Tax impact of non-deductible expense	724.00	631.00
Tax impact of change in rate	-19.00	-
Tax impact of prior period	-	-117.00
Income Tax Expense	**-1,362.00**	**819.00**

47 EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(in number)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Issued number equity shares	131,785,815	77,551,500
Potential Equity Shares	-	-
Weighted average shares outstanding - Basic and Diluted	131,785,815	77,551,500

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(₹ in Lac)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Profit and loss after tax (Rs. in lakhs)	**11,621.24**	**10,489.14**
Profit and loss after tax for EPS (Rs. in lakhs)	11,621.24	10,489.14
Basic Earnings per share (in Rs.)	8.82	13.53
Diluted Earnings per share (in Rs.)	8.82	13.53
Profit and loss before change in accounting policy (Rs. in lakhs)	**11,621.24**	**9,990.78**
Basic Earnings per share (in Rs.)	8.82	12.88
Diluted Earnings per share (in Rs.)	8.82	12.88
Change in Basic and Diluted EPS due to change in accounting policy (in Rs.)	-	-0.64

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

48 PROVISIONS

Movement in each class of provision during the financial year are provided below:

(₹ in Lac)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31st March 2017	**3,024.64**	**565.84**	**757.81**	**31,167.38**	**1,250.56**
Current Service Cost	134.98	26.59	688.59	-	-
Interest Cost	213.24	39.89	711.04	-	-
Actuarial Gain/Loss	-14.32	-25.11	-	-	-
Remeasurement in OCI		-	693.02	-	-
Actual Benefits Paid		-	-204.66	-	-
Expected Return on plan assets		-	-657.62	-	-
Interest on Decommissioning Liability		-	-	234.53	-
Net Increase / (Decrease) in progressive mine closure liability		-	-	-	-10.82
As at 31st March 2018	**3358.53**	**607.21**	**1988.18**	**31401.91**	**1239.74**

(₹ in Lac)

Particulars	Provision for Leave Encashment	Provision for Sick Leave	Provision for Gratuity	Provision for Post Mine Restoration	Provision for Progressive Mine Restoration
As at 31st March 2017					
Current	354.37	111.89	757.81	0.00	1250.56
Non Current	2,670.27	453..95	0.00	31,167.38	0.00
	3,024.64	**111.89**	**757.81**	**31167.38**	**1250.56**
As at 31st March 2018					
Current	429.54	123.32	1,988.18	0.00	1239.74
Non Current	2,928.99	483.88	0.00	33331.55	0.00
	3,358.53	**607.20**	**1,988.18**	**33331.55**	**1239.74**

49 PRIOR PERIOD ITEMS ALONG WITH IMPACT ANALYSIS

As per Ind AS 8, the impact of the prior period items identified in the current year and relating to the previous year have been restated and for the period before the last comparative period shown have been adjusted in the opening reserves.

(₹ in Lac)

Particulars	FY 17-18
Prior Period adjustment	
Liabilities no longer required	12.31
Total Impact on profit/reserve	**12.31**
Increase in EPS	**0.01**

50 RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are reported as under:

(i) **Related party name and relationship**

a Key Managerial Persons

S.No.	Name	Designation	From	Upto
1	Om Prakash Meena	Chairman	01/04/2017	30/06/2017
2	Ashok Jain	Chairman	12/07/2017	12/31/2017
3	Nihal Chand Goel	Chairman	14/03/2018	31/03/2018
4	Devi Shankar Maru	Director	01/04/2017	31/03/2018
5	Harihar Vishnushankar Paliwal	Independent Director	01/04/2017	31/03/2018
6	Prem Prakesh Pareek	Independent Director	01/04/2017	31/03/2018
7	Bhanu Prakash Yeturu	Managing Director	01/04/2017	31/03/2018
8	Prem Singh Mehra	Director	01/04/2017	04/07/2017
9	Aparna Arora	Director	01/04/2017	31/03/2018
10	Umesh Kumar	Director	01/04/2017	16/05/2017
11	Rajeev Swarup	Director	28/06/2017	31/03/2018
12	Devendra Bhushan Gupta	Director	07/09/2017	31/03/2018
13	Bhupesh Mathur	Chief Financial Officer	01/04/2017	31/03/2018
14	Rajendr Rao	Company Secretary	01/04/2017	31/03/2018

b Enterprises over which key management personnel and relatives of such personnel exercise significant influence

S.No.	Name of the entity in the group	Designation
1	Raj West Power Limited(RWPL)	Realted Enterprise
2	JSW Energu Limted(JSWEL)	Realted Enterprise

c Other related parties

S.No.	Name	Designation
1	The trustee of providendt fund of RSMM Ltd	Employee benefit funds
2	Trustee gratuity (with LIC)	Employee benefit funds
3	RSMML Retired Employee Medical Relief fund	Employee benefit funds

ii Related party transactions

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
1 Short term employee benefits		
Managing Director	21.34	15.25
Chief financial officer	19.54	16.77
Company Secretary	14.74	13.23

(₹ in Lac)

S.No.	Particulars	Subsidiary	
		For the year ended 31st March 2018	For the year ended 31st March 2017
	BLMCL		
1	Expenses incurred	77.61	72.92
2	Interest paid/payable	439.05	508.47
3	Expenses incurred (including adv against equity share to RSPCL- Gail Gas)	90.45	9.14
4	Received towards reimbursed of expenditure	-107.56	64.80
5	Advance received/(paid) to RSPCL for investment in RSGL	-997.50	-997.50
6	**Sale of Lignite (Net of Taxes)**		
	Raj WestPower Limited	79,150.00	76,344.00
7	**Reimbursement booked/Paid to**		
	Raj WestPower Limited	189.00	180.00
	Rajasthan State Mines & Minerals Limited	78.00	72.00
8	**Subordinate Loan taken**		
	Raj WestPower Limited	2,120.00	5,550.00
9	**Interest on subordinate loan taken**		
	Raj WestPower Limited	5,659.00	5,098.00
10	**Capital Advance paid / (Refund)**		
	Rajasthan State Mines & Minerals Limited	-	-

51 CONTINGENT LIABILITIES NOT PROVIDED FOR

With Respect to RSMML

(in Lac)

S.No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Claims against Company not acknowledged as debt	54067.40	60939.62
ii.	Disputed Income tax liability pending:		
	(a) Company in appeals	1755.83	7874.71
	(b) IT Department in appeals (As per information available with Company)	890.47	6981.49
iii.	Guarantee given by banker on behalf of the Company for which counter guarantee provided by the Company	3708.18	290.77
iv	Claims of workmen pending adjudication and of those who have taken Voluntary Retirement amount unascertainable.		
v.	Additional Liabilities, if any, in respect of pending Sales Tax, Income Tax, Service Tax, Land Tax, Land & Building Tax, House Tax, Royalty, M. R. Cess, Development Charges, Dead Rent, Surface Rent and Rent of Office Building and diverion of Forest Area and other claims whatsoever and interest on such liabilities and on the various claims of the contractors, incremental liability if any of pay and allowances of employees who opted for Vth & VIth pay commission etc. is unascertainable.		
vi.	Guarantee given by Company to RIICO/RFC in respect of debt and interest thereon recoverable from Rajasthan Granite and Marble Ltd. (Since Liquidated) amount unascertainable.		
vii.	Amount relating to environmental liabilities are unascertainable.		
viii.	Liabilities on account of Rider Agreements with contractor in which amounts are unascertainable.		
ix.	Liability for the claims on account of other court cases filed against Company in which claim amount cannot be ascertained is not included in the above. Besides interest on the amount claimed by various parties who have filed court cases against the Company, is not included as the same is not ascertainable.		

With Respect to BLMCL

S.No.	Particulars
i.	The Company had received NOC for 2,172.03 bighas of government land from District Collector (Barmer) vide letter dated 12.01.2010 to be used by Company for lignite mining in Kapurdi. Subsequently, District Collector (Barmer) had raised a claim by issuing a letter dated 31.07.2012, seeking for payment of Rs. 32.58 crore towards government land against transfer of title on the government land admeasuring 2,172.03 bighas. The Company has not accepted the offer for acquiring of Land and has conveyed to the RSMML to take up the matter with appropriate authority.
ii.	A demand for Rs. 2.48 crore was raised by Commercial taxes department under Rajasthan Value Added Tax Act, 2003 for the F.Y. 2010-11. The demand raised is inclusive of penalty and interest. The Company has deposited Rs. 0.97 crore under protest with department. The Company had filed an appeal against the said order before appellate authority and appellate authority partially accepted the appeal and set aside the penalty amount imposed of Rs. 1.51 crores vide its order dated 28th April, 2015. The Company has filed an appeal before Rajasthan Tax Board, Ajmer against this partial acceptance order. The case is presently under consideration by the Tax Board.
iii.	The Company had received the income tax assessment order for the financial year 2011-12 with the tax demand of Rs.13.28 crore. The Company had paid a sum of Rs. 5.20 crore under protest against this demand and has filed an appeal before CIT (Appeals) against this assessment order. During the year CIT Appeal has passed order in which appeal is partly allowed accordingly above demand get reduced upto Rs. 9.82 Crore. Company has filed appeal before ITAT on 13.06.2017 for remaining demand.ITAT has passed the order dated 12 October 2017 wherein considered most of grounds of appeal including mine closure charges, amortisation of mining right etc and most of issued were remanded back to assesing officer for statical purpose. ITAT has not considered the ground of CSR expenseand interest receipts on CWIP of our appeal, The Company has accordingly filed Income tax appeal before the Hon,ble High Court on 12 February 2018. Hon,ble High Court, JHaipur in its order dated 24 July 2018 read with on 08 August 2018 read with 08 August 2018 has considered both the ground in favour of the Company. Matter whiche were remanded back to the department by ITAT are underc onsideration and lkely to be decided in due course.
iv.	The Company has received the income tax assessment order for the financial year 2012-13 with the tax demand of Rs. 13.04 crore. The company has paid a sum of Rs. 2.61 crore under protest against this demand and has filed an appeal before CIT (Appeals) against this assessment order. During the year CIT (Appeals) has passed ordr in which appeal i spartly allowed accordingly above demand get reduced to Rs 10.49 Crores. In the said matter a rectification application was filed before ACIY on 4 June 2018. Against the order of CIT(A), the Company has filed an appeal before ITAT on 07 June 2018.
v.	The Company has received the income tax assessment order for the financial year 2013-14 with the tax demand of Rs. 3.89 crore. The company has paid a sum of Rs. 0.78 crore under protest against this demand and has filed an appeal before CIT (Appeals) against this assessment order. During the year CIT (Appeals) has passed ordr in which appeal i spartly allowed accordingly above demand get reduced to Rs 2.38 Crores. In the said matter a rectification application was filed before ACIY on 4 June 2018. Against the order of CIT(A), the Company has filed an appeal before ITAT on 07 June 2018.
vi.	The company has received an order from the Commissioner of Central Excise for levy of penalty of Rs. 0.02 crore for availment of CENVAT credit on some input services during the period from June, 2011 to Nov., 2012. The Company has not accepted this order and filed an appeal against the said order with Commissioner (Appeals), Central Excise. The appeal has been disposed off in favour of the Compnay vide Commission (Appeal0 order dated 31 January 2018.

vii.	The Company have submitted an undertaking to indemnify RSMML from all possible tax and financial liabilities at all point of time for any liabilities arising out of Implementation Agreement (IA)/Joint Venture Agreement (JVA) that have already arisen or may arise in future following transfer of Kapurdi and Jalipa Mining Lease to the Company. RSMML has received a service tax adjudication order dated 30.04.2015 from Commissioner (Central Excise), Jaipur imposing service tax demand of Rs.122.30 crore on compensation for mining land paid by the Company to RSMML. RSMML has filed an appeal with CESTAT, Delhi against this order. The Company has paid an advance of Rs. 9.17 crore (7.5% of demand) to RSMML for filling of the appeal. The matter is presently undr consideration of CESTAT, New Delhi.
viii.	A demand for Rs. 2.11 crore for each financial year 2011-12 and 2012-13 was raised by Sub-Registrar, Barmer towards Land Tax and the same has been provided in the books of accounts. Out of which, a sum of Rs. 3.59 crore is pending for payment. Land tax has been abolished w.e.f. 01-04-2013 vide gazette notification dated 06th March, 2013. The issue whether land tax/levy of land tax is ultra vires, is pending consideration before the Honb'le Supreme Court of India. The Company has also filed an intervention Application before Hon'ble Supreme Court of India on 20 February 2018.
The	company has received an order from the Commissioner of Central Excise, Alwar for levy of basic excise duty of Rs. 67.28 crore and Penalty of Rs.67.28 Crore and levy of Interest at the prescribed rate in the matte of the diffrencilal price between petition price and approved adhoc transfer price of for sale of lignite as determined by RERC for the period from October 20011 to March 2016. The Company has not accepted this order and filed an appeal against the said order with CESTAT, Delhi. The Company had already paid the basic excised duty of Rs 67.28 Croresby debiting the PLA. The matter is presently undr consideration of CESTAT, New Delhi.
x.	The company has received an order from the Commissioner of Central Excise, Alwar for levy of basic excise duty of Rs. 2.65 crore and Interest of Rs. 0.24 crore and Penalty of Rs. 2.65 Crore for Late Service Tax Credit reversal for the period Mar-12 to Dec-12 The Company has not accepted this order and filed an appeal against the said order with CESTAT, Delhi. The Company had already reversed the CENVAT credit of service tax amounting to Rs. 2.65 Crore by debiting the PLA. The matter is presently undr consideration of CESTAT, New Delhi.
xi.	As per the Implementation Agreement, the Sale price for the lignite by the company to Raj WestPower Limited (RWPL) has to assessed by RERC. The Company is filing petitions for determination of transfer price of lignite for every year since FY 2011-12 onward. Pending determination of final transfer price, RERC has allowed only adhoc/ Interim Transfer price from FY 2011-12 to current FY 2017-18. Correspondingly, the Company is paying proportionate reduced lignite extraction cost to the MDO. The difference between lignite extraction charges per ton of lignite payable to MDO as per Agreement dated 28.12.2010 and actual lignite extraction charges paid/provided as above is Rs. 1206.92 Crore(Prev year Rs. 988.85 Crore)for the period from FY 2011-12 to FY 2016-17. For F.Y 2017-18 the difference between extraction cost of lignite as per Agreement and actual amount paid as per RERC Order is Rs. 218.07 Crores(Prev year Rs. 218.07 Crores). As this payment is contingent upon approval of final transfer price of lignite by RERC, which will also result into higher revenue recognition which will be higher / equal to liability to the MDO. Accordingly, the company has not provided liability on account of aforesaid extraction cost to MDO in the books.
xii.	Few land owners have gone to court for claiming enhanced rate of compensation from RSMML for land acquired for mines project. In case of any enhancement of compensation by court and thereby payment by RSMML, the Company will have to reimburse the RSMML for additional compensation. The amount is indeterminate as on date.
xiii.	During the year company has received an order from the Astt commisioner of Income tax (TDS) Jaipur for levy of non deduction of TDS of Rs 0.03 crore and interest of Rs 0.03 crore. The Compnay has not accepted the demand and has filed an appela before Commisioner of Income tax (Apppeals)-III on 27 Apil 2018. The matter is presently under consideration of CIT(Appeals-III), Jaipur

xiv.	As per Ministry of Environment, Forests and Climate Change (MoEFCC) approval dated 22nd September 2014 Kapuradi Lignite mines, the Company is required to make provision of CSR activities of Rs. 5/- per MT of Lignite extracted which shall be adjusted with annual inflation. Accordingly, the Company has made provision of Rs. 3.08 crore (PY Rs. 3.01 crore) in its books towards CSR expenses for its Kapurdi Mining block for the year 2017-18. The cumulative unutilised balance for CSR provision is Rs. 13.61 crore (PY Rs. 11.73 crores). As per Ministry of Environment, Forests and Climate Change (MoEFCC) approval dated 29 April 2010 for Jalipa Lignite mines, the Company is required to make provision of CSR activities of Rs. 5/- per MT of Lignite extracted which shall be adjusted with annual inflation. Accordingly, the Company has made provision of Rs. 1.25 crore (from 01.11.2017 to 31.03.2018) in its books towards CSR expenses for its Ja;ipa Mining block for the year 2017-18. The cumulative unutilised balance for CSR provision is Rs. 1.25 crore (PY Rs. Ni;).
xv.	The Company has paid a sum of Rs. 977.51 crore upto 31st March, 2017 (PY Rs. 977.51 crore) to Rajasthan State Mines & Minerals Limited (RSMML) towards the compensation for land acquisition of 17,323.05 bighas of Kapurdi Mining Block and 22347.85 bighas of Jalipa Mining Block in accordance with the order of Land Acquisition Officer. While, the mutation process of Kapurdi Lignite Mining land has been completed and land has been transferred in the name of RSMML, the mutation process is underway for Jalipa Lignite Mining Land. RSMML has intimated that the transfer of land from RSMML to the Company has been rejected by Government of Rajasthan, even though the opinion of Advocate General states that the transfer of land from RSMML to the company is contemplated within the provision of the Implementation Agreement and Joint Venture Agreement. JV partner has represented Government of Rajasthan for reconsideration of the issue and response is awaited. Till the issue attains finality and based on present position taken by GOR, the amount of Rs. 269.26 crore paid towards the acquisition of Kapurdi land to RSMML was reflected as Surface Rights for Kapurdi Land and the balance advance amount of Rs. 708.25 crores paid for compensation towards Jalipa land pending commissioning of commercial operation at Jalipa Mines to RSMML is reflected as Surface Rights for Jalipa Land.
xvi.	Pursuant to order of Govt. of Rajasthan, the mining lease for Jalipa mining block has been transferred from RSMML and registered in name of the company on 25th May, 2015.
xvii.	During the year, the Company has recognised Rs. 0.01 crore (Previous year Rs. 0.02 crore) towards Land Development Charges and Rs. 0.44 crore (Previous year Rs. 0.70 crore) being the amount payable to RSMML towards the proportionate amount of Salary and Wages of RSMML employees and office expenses for the FY 2017-18. The above charge relates to Land development charges and the time spent by RSMML employees on the Company's Jalipa project and the same has been accounted under Intangible assets under development.
xviii.	The Company has an outstanding subordinated debt of Rs. 567.64 crore (Previous Year Rs. 546.44 crore) as on 31st March, 2018, availed @ 10% interest rate from RWPL to fund its project related requirements. The Company has recognised interest of Rs. 56.59 crore (Previous Year Rs. 50.98 crore) on subordinate debt for the period from 1st April 2017 to 31st March 2018. As required by the Comptroller and Auditor General of India (CAG), the Company has obtained an opinion on levy of interest on subordinate Loan from Learned Advocate General, Jaipur, and Rajasthan, who has also affirmed the provision for the same. However, the matter has been referred by CAG to the Finance department,GOR.Finance department,GOR has also clarified that since there is no direct equity holding of State Government in the JV Company comments of Finance Department is not required. CAG has asked Finance department GOR to re examine its stand and and its final opinion is awaited. Pending further clarificatin from Finance department, GOR, no interest payout on Subordinated Debt shall be carried out.

xix.	The Government of Rajasthan vide its order dated 30th March, 2011 had stated that any interest gained by RSMML on the amount deposited with it by the Company towards land compensation to be paid for Jalipa and Kapurdi Mining Block (as a result of delayed payment/ non acceptance of compensation) will be refunded to the Company. Accordingly, the Company has accounted for interest income of Rs. 4.28 crore (previous year Rs. 5.65 crore) on the basis of the ledger balance outstanding in the books of RSMML.
xx.	Government of Rajasthan vide notifcation dated 31 May 2016 had notified the Levy of contribution towards District MInerals Foundation Trust(DMFT) @ 30% of Royalty with restropectiove effect from 12.01.2015. Accordingly the com[any had deposited Rs 20.36 crore as DMFT levy for the period from 12.01.2015 to 30.05.2015 in the finacial year 2016-17 itself. During the year the Federation of Indian MIneral Industries ^othersd has challnged the levy from restropective effect before Hon'ble Supreme Court. Hon'ble Supreme Court vide its order dated 13 October 2017 has decided that contributions to the DMF are required to be made by holder of a mining lease or propective licence cum mining lease in the case of coal, lignite and sand for stowing with effect from 20 October 2015 when the rate was prescribed by the Central Government or with effect from the date on which the DMF was establised by State Givernment by a notifcation whichever is later. Accordingly, the company has considered the aforesaid contribution of Rs 20.36 crore as an advance to DMFT, which is to be adjuted against fuue liability of the same. As per extant RERC regulations the same has to be refunded to Raj West Power Limited and thus a libility of this amount to Raj West Power Limited is accounted for awaiting confirmation from concerned department of the state Government, This however has no impact on the profit/loss of the company for the current financial year.

52 CAPITAL COMMITMENT

(₹ in Lac)

S.No.	Particulars	As at March 31, 2018	As at March 31, 2017
	With Respect to RSMML		
i.	Estimated amount of contracts remaining to be executed on Capital Account	72.58	236.12
	With Respect to BLMCL		
ii.	Commitments to contribute funds for the acquisition of property, plant and equipment etc.	560.00	250.00

52.1 As per the approved Mine Closure plan, prepared in accordance with the Ministry of Coal, GoI, in respect of Sonari & Giral lignite mines the company is required to deposit total sum of ₹ 26,952.75 Lakhs during the period 2014-15 to 2042-43 and ₹ 44710.55 Lakhs during the period 2014-15 to 2031-32 resectively in the escrow account with schedule bank. Similarly as per draft plan prepared for Kasnau & Matasukh the company is required to deposit total sum of ₹ 14296.48 Lakhs during the period of 24 years of mines. Upto the financial year2016-17, the company has deposited a sum of ₹ 5468.60 Lakhs (Prev year 3,941.60 Lakhs in the escrow account, opened for Sonari and Giral mines.

With Respect to RSMML

53 The Government of Rajasthan vide its notification dated 23/01/2009, had enhanced the rate of M. R. Cess on Rock phosphate from ₹ 35/- PMT to ₹ 500/-PMT with effect from 01.04.2008. Since the rate of M. R. Cess was enhanced retrospectively the Company has issued demand letters to its customers of Rock phosphate for payment of differential amount of M. R. Cess for the year 2008-09. Against such demand letters some of the customers have filed cases in Jodhpur and Jaipur benches of Hon'ble High Court, Rajasthan. The cases have

been decided by the respective High Courts in their favour, against which the Govt. of Rajasthan, being an aggrieved party in the cases, has filed appeal with Honble' supreme Court which has also been dismissed. Consequently company has requested State Government to refund back the amount of ₹ 4,626.90 Lakhs (Prev ₹ 4,626.90 Lakhs) paid by it being differential amount of MR Cess . The amount is yet to be received from the state Government. The necessary accounting adjustments would be made on receipt of the amount from Government of Rajasthan in accordance with IND AS 18.

54 Company is generating power from Wind Farm since August 2001 and part of the generated power is being adjusted in power bill of SBU PC Rock phosphate (Jhamarkotra Mines) towards captive use by Ajmer Vidyut Vitaran Nigam Ltd. (AVVNL) while balance is being sold to AVVNL and other DISCOMS. From February 2005, AVVNL had stopped the adjustment of wind power in captive use without assigning any reason thereof. After long persuasion at various levels, AVVNL informed in November, 2005 that they have revised power bills from 2002 on new methodology as per guidelines of their Audit team. The amount so adjusted and in dispute is ₹ 1,15,08,126/- (Prev year ₹1,15,08,126/-). RSMML had objected the methodology of AVVNL and filed petitions in this matter with Rajasthan Electric Regulatory Commission (RERC) Jaipur which have been decided in favour of the Company. Further, the matter was referred to the Chairman, Central Tribunal wherein the case was decided in favour of the Company. However, AVVNL has filed three petitions in Hon'ble High Court of Rajasthan against the order, out of which two petition have been dismissed by the High Court while one is pending for decision. An amount of ₹ 80.64 Lakhs (Prev Year ? 80.64 lakhs) has been refunded by AVVNL during the year 2012-13.

55 As per the Memorandum of Understanding (MOU) dated 04/05/1997, M/s Binani Industries Ltd. (Parent Company of BZL), erstwhile RSMDC (since then merged with RSMML), and M/S White Tiger Resource NL formed a Joint venture Company under the name and style R.B.W. Minerals Industries Limited was incorporated on 16/07/1997 to carry out prospecting work on base metal deposits and other allied activities in Rajasthan and Gujarat states including at the Deri Multi Metal Project of the Company.

56 It was also provided in the MOU that Joint venture Company would enter into an MOU with erstwhile RSMDC with a stipulation that erstwhile RSMDC would allow the Joint venture Company to carry out exploration work in mines and Joint Venture Company would reimburse the expenditure incurred on watch & ward, dead rent, other expenses for retaining the area. It was further, provided in the MOU that once the project is proved to be economically viable then Deri mines along with fixed assets would be transferred to the new company on mutually agreed valuation and terms & conditions after the permission of erstwhile RSMDC Board and State Govt. However, no such activities were started within the time specified in the MOU and thereafter. Subsequently, M/S White Tiger Resource NL has withdrawn itself from the Joint Venture and GMDC has become a new entrant in the project as per the terms of MOU dated 01/09/2001 executed between GMDC and of R.B.W. Minerals Industries Limited. Accordingly, the name of R.B.W. Minerals Industries Limited was changed to R.B.G. Minerals Industries Limited.

Though, the various activities are in progress at the project sight but no significant development has taken place. The transfer price of the assets of the company has been firmed up and agreed by Joint Venture Company. The Company has given 'No objection' to Director, Mines & Geology to transfer the lease of Deri mines to the Joint Venture Company M/s RBG Minerals but the lease is yet to be transferred.

Further the Board of M/s Binani Industries Limited and GMDC has appointed M/s PWC to resolve the matter regarding valuation of Ambaji mines of GMDC and to carry out new evaluation after removal of errors and flaws pointed out in earlier IBM report. Based on the outcome of it , necessary action would be taken by the company. Pending final decision on the issues, the Company is booking the expenses incurred on Deri mines in the books of accounts as per prudent accounting principles & policies.

57 The company has awarded the work of setting up a desalination plant at Kasnau-Matasukh lignite mines to M/S Doshian Ltd, Ahemdabad, which has set up the plant through its SPV Nagaur Water Supply Company Pvt. Limited (NWSCPL), to supply potable water to PHED for distribution to 120 villages in Nagaur District for a

period of 15 years. During the execution of the contract, some issues relating to interpretation of several clauses of the contract agreement between RSMML & NWSCPL have arisen which were referred to an independent Arbitrator and the learned Arbitrator after considering the all the facts made available by both parties, has pronounced its Award on 01.03.2017. As per the interpretation given the Arbitrator, under the contract provisions, certain amount are recoverable from M/s. NWSCPL, which are to be ascertained after revised bills are submitted by NWSCPL. Further it was clarified in the Award that arbitration is restricted to interpretation of the clauses as agreed by the parties and substantive rights shall be determined as per the interpretation of the clauses given in the Award. After passing the award on 01.03.2017, NWSCPL instead of settling the issues, filed an objection application under section 34 of Arbitration Act, challenging certain portions of the award which were not in its favour. These objections are now being contest by Company. Further, NWSCPL has also filed an Execution Application based claiming an amount of Rs. 16.00 Crore approximately and for appointment of chartered accountant for verification of same. The application was objected by the Company and was NWSCPL application was subsequently dismissed by the court accepting the objections raised by RSMML. However as NWSCPL is not settling the issue on the basis of award, but has preferred for two legal cases after Arbitration both Objection and Execution, Company is also now proceeding further to file Civil Suit for recovery of dues as computed by the Company against NWSCPL on the basis of interpretation given by the Arbitrator. The net recoverable/ payable amount with NWSCPL will be determined based on the orders of the court on two applications filed by NWSCPL and civil suit being filed by Company.

In the mean time, as NWSCPL could not supply water for 30 continuous days, the Company terminated the contract by issuing termination notice as per contractual conditions. Due to termination of the contract, NWSCPL filed a claim and Injunction Applications before District Court, Jaipur in which NWSCPL has made a prayer that till the Engineer-in-charge issues the required certificate as per the contract agreement and as per terms of award, RSMML may be restrained from taking over of the plant and be restricted to carry out any changes in the plant or to create any third party rights or to disown NWSCPL from the plant etc. Further NWSCPL also filed stay application against encashment of BG amounting to ₹ 6,03,70,635/- furnished by them under the contract. After dismissing the injunction application of NWSCPL seeking stay on invocation of BG by the court, the said BG stands revoked by Company. Further on the acceptance given by RSMML, that till the certificate as per the contract provisions and award is issued to NWSCPL, it will not take over the plant; injunction order has been passed by the court and Company has not taken over the plant.

Thereafter, in the same case, RSMML also filed its counter claim and Injunction application for granting stay against adjusting the three FDRs amounting to ₹ 6,08,28,300/- furnished by RSMML under the contract with IDBI, Udaipur which were under lien in favour of IDBI, Ahmadabad. On the above applications of RSMML, after hearing the arguments, interim stay orders against both IDBI branches (Udaipur & Ahmadabad) have been passed, restraining IDBI from carrying out any payment or adjustments of its own or NWSCPL dues from the FDR pledged by RSMML. Since then, all the four applications connected in the cases were being heard by the court. Further, the stay granted on FDR is being extended on every case date. At present, there is no activity at the plant site and PHED has made its own arrangement for supply of water. Pending various court cases between both the parties, no further accounting adjustments in the accounts of NWSCPL and that of PHED to which company was supplying the water on chargeable basis, are being carried out. A a sum of ₹ 936.29 Lac is recoverable from PHED on 31.03.2018 (prev. year ₹ 936.29 Lac), The same is taken to be as difference between amount paid to NWSCPL and to be realized from PHED. However, the actual accounting adjustment would be made when the issues would be settled finally.

58 The company had awarded a contract to M/s National Construction Company (NCC) for "Hiring of Heavy Earth Moving Equipment for Removal of Overburden and Raising of Saleable Lignite" from Matasukh Lignite Mines situated in Nagaur district for a period of seven years – from 16.01.2003 to 16.01.2010. During the course of execution of the contract, due to in-rush of water in the mining pit, the mining operations were affected. As such, based on the technical advice from the Experts and looking to instructions of DGMS some changes were made in the design parameters.

The contractor before closure of the contract has raised a final claim of ₹ 7,309.89 Lakhs after adjustment of Rs. 1,400.25 Lakhs, given to them as an advance. The claim of the contractor was inclusive of ₹ 5,473.55 Lakhs towards remuneration for excess waste handling. The remaining claim amounts were towards diesel escalation, machinery and manpower idling charges, excess outside overburden dumping, excess de-watering charges, re-handling of overburden, reimbursement of service charges etc. Against the gross claim of ₹ 8,710.14 Lakhs , the company has accepted claims amounting to ₹ 1,994.64 Lakhs, including ₹ 1,925.72 Lakhs towards remuneration for excess waste handling charges. The contractor then has filed a court case in the year 2011-12 against the company, raising therein a claim of ₹ 9,259.69 Lakhs, including interest after adjusting advance. The case is still pending for decision.

59 The Employees Provident Fund Organisation (EPFO) vide its communication No.Co-ord/3(4)2002/clarifications/2882 dated 16.05.2005 has directed that leave encashment paid on or after 01.10.1994 comes under the ambit of basic wages for payment of PF contributions in conformity with the judgement of various courts in the country. Later on, EPFO has clarified in its subsequent communication dated 09.09.2005 that recovery of PF contribution on leave encashment paid on or after 1st May, 2005 be enforced and action for recovery up to 30.04.2005 be kept in abeyance.

In compliance of the communications of EPFO, on or after 01.05.2005 the company had started deducting PF on leave encashment paid to its employees and equal amount was contributed to the PF Trust of the company. Later on, the Hon'ble Supreme Court in the case of Manipal Academy of Higher Education vs Provident Fund Commissioner has decided that leave encashment is not a part of 'basic wages' under section 2(b) of the Employees Provident Fund & Miscellaneous Provisions Act, 1952 requiring pro-rata employers' contribution.

60 In compliance of the decision of the Hon'ble Supreme Court, EPFO vide its circular dated 05.05.2008 has conveyed for discontinuance of PF deduction on leave encashment with immediate effect and also stated that employer's share received by EPFO will be adjusted against future liabilities. Since this circular was not came to the notice of the company and its PF Trust till the Office of the AG has pointed out during the course of regular audit of SBU-Limestone in the year 2013 and also during conducting supplementary audit of the Balance Sheet for the FY 2012-13, the company continued to deduct PF contribution on leave encashment paid to its employees and made contributions of equal amount to PF Trust of the company. However, when the company became aware of the fact, it has stopped to deduct PF on leave encashment with effect from 01.10.2013.

The amount so deducted and contributed from the year 2008 to September 2013 works out to? 261.38 Lakhs (Prev Year ₹ 261.38 Lakhs) . On the matter of recovery of amount deposited in PF Trust as per the directives of Board, legal opinion and also opinion from Finance Department , Goverment of Rajasthan is taken . Based on the opinions, so received, It was decided by the Company to recover /adjust the amount PF on leave encashment from its future liability.It was also decided to issue notices to ex -employees for recovery of amount so paid. The amount so recovered in the year 2017-18 is ₹ 1.26 Lakhs on this account and upto 31/03/2018 is ₹ 198.39 Lakhs (Prev year ₹ 197.13 Lakhs) has been considered as revenue.

61 M/s Suzlon Energy Limited(SEL) was awarded work for installation and Operation & Maintenance of Wind Power generating in Phase I & II commissioned on 10.04.2001 & 29.03.2002 respectively. As per the terms of the contract, the contractor is to give net minimum guaranteed generation(NMGG), failing which liquidated damages at agreed rates are required to be levied. Further the contractor is also required to provide Bank Guarantee (BG) of differential amount towards additional security. As per the correspondence exchanged between RSMML & party, M/s Suzlon Energy Limited has transferred powers to be generated from 2 WTGs of 2.1 MW & 2.25 MW generation capacityalong with PPA to the company in lieu of the BG and liquidated damages of for both the phases.Consequently, the bills of sale of power to DISCOM attributable to these two WTGs are being raised in the name of RSMML from the month of January 2016 and onwards. As per the agreement with the party, the unit/revenue generation from these WTGS would be adjusted towards the shortfall units as compared to NMGG of the respective phases during the relevant block. If any shortfall still remains unadjusted,compensation for the same would be recovered from the party . On the other hand, if

there remains any excess revenue generation after adjusting the shortfall of the respective phases, such revenue would be pass on to M/s Suzlon Energy Ltd. Accordingly the sales realization of the units generated from 2 WTGs is being kept in retention account to be adjusted against Liquidated damage at the end of block period of respective phases.

62 The company was allotted Sachcha Sauda, Lignite Block spread in 562.50 hectares in Nov 2006 by the Ministry of Coal, GoI for the purpose of open cast mining of Lignite. However, CAIRN India/ONGC has acquired some part of the land falling within the mining land for laying pipeline and construction of road for monitoring, in the middle part and across the Sachcha Sauda Block, due to which the mining of Lignite would be affected adversely. As such to resolve the conflict and to enable to undertake the mining activities in the mining lease, the company has referred the matter to the Ministry of Coal, GoI vide its letter dated 19/20.06.2016, requesting to allow the company to undertake the work of underground Coal Gasification. The approval of the Ministry of Coal is still awaited.

63 Consequent upon the receipt of demand of service tax from the concerned authority the mining contractor of the company were asking the company to pay the service tax alongwith interest and penalty if any as demanded by the authorities on free supply of diesel to them by the company .The contractor are contesting the cases at various levels.During the year it has been decided by Hon'ble Supreme court in other cases that during the course of of execution of contract the free supply made by the service receipient to the service provider is not subjet ed to service tax .As per information available no such decision has received in cases related to the mining contracts of the company.Since the liability if any on this account is not quantifiable , no liability is being taken in its books on this account and shall be accounted for as and when any demand is arised finally.

64 The government vide notification dated 27/02/2017 has revised the rate of mine closure expenses per hectare from ₹ 0.20 Lakh and ₹ 0.15 Lakh to ₹ 3.00 Lakh and ₹ 2.00 Lakh for Category 'A' mines and for Category 'B' mines respectively . The company has provided bank guarantees for ₹3393.73 Lakh as financial assurance to concerned authorities as per revised rates.

65 ANALYSIS OF STORES AND SPARES CONSUMED:

(₹ in Lac)

Particulars	2017-18	2016-17
Imported	-	87.94 (1.84%)
Indigenous	4,702.42 (100%)	44,615.57 (98.17%)

66 There is no raw material imported & consumed during the year .

67 EARNING AND EXPENDITURE ON FOREIGN CURRENCY (IN ACCRUAL BASIS):

(₹ in Lac)

Particulars	2017-18	2016-17
Earnings	205.71	-
Expenditure		
Spares		87.94
Other Matters	6.15	7.37

68 QUANTITATIVE DETAILS OF PRODUCTS AND OTHER DISCLOSURES

(i) Rock Phosphate, Beneficiated Rock Phosphate and Rajphos

(In MT)

Particulars	Rock Phosphate		Beneficiated Rock Phosphate		Rajphos	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Opening Stock	2,203,250	2,314,782	109,862	134,868	12,009	11,147
Production	1,230,950	769,903	155,947	198,860	40,840	44,050
Less: Moisture Qty.				-40,946		
Purchase	28,906	38,123				
Transfer	28,395	24,868	-28,395	-24,868		
Retrieval						
Sales	555,799	414,132	134,541	171,268	40,399	43,030
Less: Moisture				-15,847		
Free Sample					5	
Own consumption for Ben. Rock Phosphate Rajphos	477,532	512,056				
Stock as per Books	2,458,170	2,221,488	102,873	112,493	12,445	12,167
Shortages	12,882	18,238	2,358	2,631	150	158
Closing Stock	2,445,288	2,203,250	100,515	109,862	12,295	12,009

(ii) Gypsum & Selenite:

(In MT)

Particulars	Gypsum		Selenite	
	2017-18	2016-17	2017-18	2016-17
Opening Stock	41,886	61,492	-	-
Purchases	-	-	-	-
Production	729,698	894,779	469	4,328
Sales	766,131	914,772	469	4,328
Stock as per Books	5,453	41,499	-	-
Shortages/Retrieval	521	387	-	-
Closing Stock	5,974	41,886	-	-

(iii) Lime Stone:

(In MT)

Particulars	Lime Stone		Sub Grade Lime Stone	
	2017-18	2016-17	2017-18	2016-17
Opening Stock	59,668	334,557	325,624	191,833
Production	2,751,329	708,233	1,862,975	449,949
Sales	2,852,436	530,122	2,105,283	305,611
Stock as per Books	-41,439	512,668	83,316	336,171
Shortages/Retrieval	44,909	-13,560	(23,648)	(1,614)
Closing Stock	3,470	499,108	59,668	334,557

(iv) Lignite

(In MT)

Particulars	2017-18	2016-17
Opening Stock	196,760	193,698
Production	7,283,492	6,559,294
Sales	7,130,252	6,556,232
Stock as per Books	-	-
Shortages	-	-
Closing Stock	349,999	196,760

(v) Multimetal:

(In MT)

Particulars	2017-18	2016-17
Opening Stock	340	340
Production	-	-
Sales	-	-
Stock as per Books	340	340
Shortages	-	-
Closing Stock	340	340

(vi) Power: (106.3 MW Wind Power Plant)

(In units)

Particulars	2017-18	2016-17
Generation	109,032,398	118,118,397
Sales	102,346,383	109,995,227
Own Consumption	6,017,418	7,310,852
Wheeling units	668,597	812,317

(vil) Power: (3.8 MW DG Set)

(In units)

Particulars	2017-18	2016-17
Generation	-	-
Own Consumption	-	-
Auxillary Consuption out of generatiom	-	-

Note: The plant has not operated during the financial year (Previous year 10 days).

(viii) Solar Plant:

(In units)

Particulars	2016-17	2015-16
Generation	71,23,217	74,67,982
Sales	71,23,217	74,67,982
Own Consumption	-	-
Wheeling units	-	-

69 MISCELLANEOUS:

(i) Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure and to comply with the requirements of IND AS.

(ii) Normal Opearting Cycle of Company's business has been determined in accordance with the requirement of Schedule III of the Companies Act,2013.

(iii) Balance of trade payables, trade receivables and loans and advances are subject to confirmation/reconciliation and resultant adjustment(s) thereof.

70 SEGMENT INFORMATION

(i) Factors used to identify segments

The company is primarily engaged in mining activates. Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Chief Operating Officer of the Company time to time for making financial and operating decisions.

(ii) Following business segments have been identified by the management

- Rock Phosphate : This segment comprise of revenue derived from mining of rock phosphate
- Limestone : This segment comprise of revenue derived from mining of Limestone
- Lignite : This segment comprise of revenue derived from mining of lignite
- Gypsum : This segment comprise of revenue derived from mining of gypsum
- Wind Power Plant : This segment comprise of revenue derived from power generation through Wind Power Plant
- Solar Power Plant : This segment comprise of revenue derived from power generation through Solar power plant

(i) Basis of segment measurement:

The measurement principles for segment reporting are based on IND AS 108. Segment's performance is evaluated based on segment revenue and profit and loss from operating activities.

Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment.

Income tax expense and income earned are not allocated to individual segment and the same has been reflected at the Group level for segment reporting.

The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, Property, Plant and Equipment, inventories, operating cash and bank balances.

Segment liabilities comprise operating liabilities and exclude provision for taxes and deferred tax liabilities.

Unallocated expenses/ results, assets and liabilities include expenses/ results, assets and liabilities (including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

(iv) Segment reporting as at 31st March 2017

(₹ in Lac)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Captive power plant	Others/ unal located	Elimination	Total
Revenue from external customers	35,089.12	14,820.17	9,576.14	6,544.44	4,646.55	258.25	0.00	44.29	0.00	70,978.96
Revenue from transactions with other operating segments of the enity					465.96				-465.96	
Other revenues	459.52	442.81	952.19	2,314.59	421.55	40.01	0.00	4,908.94	0.00	9,539.60
Total revenue	**35,548.64**	**15,262.98**	**10,528.33**	**8,859.03**	**5,534.06**	**298.26**	**0.00**	**4,953.23**	**-465.96**	**80,518.57**
Segment expenses	29,711.30	13,553.18	11,825.78	4,843.53	3,250.44	297.30	0.00	3,159.96	-465.96	66,641.49
Segment profit and loss before tax and exceptional item	**5,837.34**	**1,709.80**	**-1,297.45**	**4,015.50**	**2,283.62**	**0.96**	**0.00**	**1,793.27**	**0.00**	**13,877.08**
Other segment items							-			
Segment assets	**38,286.15**	**23,010.11**	**124,215.60**	**3,797.62**	**18,879.87**	**2,035.87**	**0.00**	**107,961.36**	**0.00**	**318,186.59**
Segment liabilities	**6,793.18**	**5,397.99**	**10,167.53**	**3,442.43**	**906.82**	**0.00**	**0.00**	**86,363.62**	**0.00**	**113,071.56**

(iv) Segment reporting as at 31st March 2018

(₹ in Lac)

Particulars	Rock Phosphate	Limestone	Lignite	Gypsum	Wind farm	Solar Power Plant	Captive power plant	Others/ unal located	Elimination	Total
Revenue from external customers	33,669.64	20,414.29	99,430.12	5,271.97	4,519.67	267.00	0.00	0.00	0.00	**163,572.70**
Revenue from transactions with other operating segments of the enity	-		-	-	429.05	-	-	-	-429.05	0.00
Other revenues	516.77	556.45	1,339.45	140.22	2,189.32		0.00	4,058.96	0.00	8,801.17
Total revenue	**34,186.41**	**20,970.74**	**100,769.57**	**5,412.19**	**7,138.05**	**267.00**	**0.00**	**4,058.96**	**-429.05**	**172,373.87**
Segment expenses	30,529.87	17,675.57	96,100.98	4,416.17	3,058.48	267.64	0.00	3,699.25	-429.05	**155,318.91**
Segment profit and loss before tax and exceptional item	3,656.54	3,295.17	4,668.59	996.02	4,079.57	-0.64	0.00	359.71	-0.00	**17,054.96**
Other segment items										
Segment assets	**45035.60**	**24533.13**	**302257.08**	**4265.58**	**15051.96**	**2057.00**	**0.00**	**117319.24**		**510,519.59**
Investment in associate and joint ventures										
Additions to										
· PPE	**2252.52**	**11.70**	**62.02**	**1.38**				**44.81**		2,372.43
Segment liabilities	**7146.11**	**4915.25**	**198038.75**	**3127.32**	**487.68**	**16.87**	**0.00**	**85791.79**		**299,523.77**

(vi) **Information about geographical areas**

The Company is not engaged in any export of minerals extracted. Thus, Company has no business outside the geographical limits of India.

Due to this, the complete customer base of the Company is in India and the Company does not own any assets or owe any liabilities outside India.

(vii) **Reconciliations**

Total assets with segment asset

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Segment assets	393200.35	210225.22
Unallocated assets	117319.24	107961.36
Total assets	**510519.59**	**318186.59**

Total liability with segment liability

(₹ in Lac)

Particulars	As at March 31, 2018	As at March 31, 2017
Segment liabilities	213731.98	26707.94
Unallocated liabilities	85791.79	86363.62
Total assets	**299523.77**	**113071.56**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) READ WITH SECTION 129 (4)OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF RAJASTHAN STATE MINES AND MINERALS LIMITED FOR THE YEAR ENDED 31 MARCH, 2018.

The preparation of consolidated financial statements of Rajasthan State Mines and Minerals Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with Section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 14 November, 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6) (a) read with Section 129 (4) of the Act of the consolidated financial statements of the Rajasthan State Mines and Minerals Limited for the year ended 31 March, 2018. We conducted a supplementary audit of the financial statements of Rajasthan State Mines and Minerals Limited, Barmer Lignite Mining Company Limited and Rajasthan State Petroleum Corporation Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

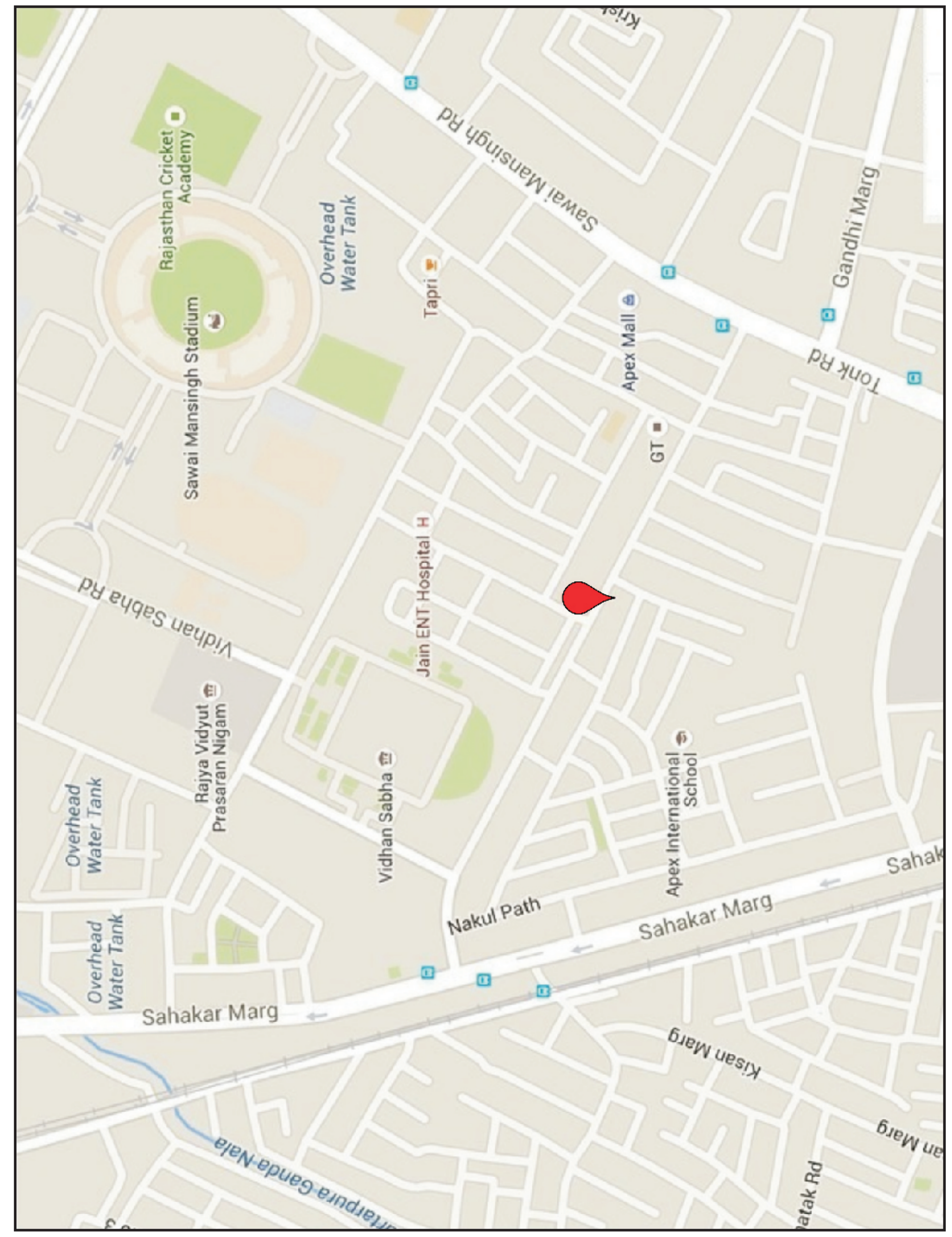
On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of
the Comptroller and Auditor General of India

(Anadi Misra)
Accountant General
(Economic & Revenue Sector Auditor)
Rajasthan, Jaipur

Place: Jaipur
Dated: 20 December 2018

Rajasthan State Mines & Minerals Limited



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Rajasthan State
Mines & Minerals Limited